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98TH CONGRESS *2d Session*	HOUSE OF REPRESENTATIVES	REPORT 98-1169

IN THE MATTER OF REPRESENTATIVE GERALDINE A. FERRARO

REPORT

OF THE

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

together with

DISSENTING VIEWS

DECEMBER 4, 1984.—Referred to the House Calendar and
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LETTER OF SUBMITTAL

December 4, 1984.

Hon. Thomas P. O'Neill, Jr.,
The Speaker, House of Representatives, Washington, DC.

Dear Mr. Speaker: By direction of the Committee on Standards of Official Conduct, I herewith submit the attached report "In The Matter of Representative Geraldine A. Ferraro."

Sincerely,

Louis Stokes,
Chairman.

CONTENTS

Sec. Page

I. Introduction 1

II. The Washington Legal Foundation's Complaint 4

III. Representative Ferraro's Statement in Response to the WLF Complaint. 5

IV. Results of Investigation 7

V. Review of Legal Issues 20

VI. Summary of Precedents 26

VII. Conclusion 28

APPENDIXES

A. Title I of the Ethics in Government Act of 1978 31

B. House Rule XLIV 46

C. Sampling of News Articles from Mid-July 47

D. Complaint by the Washington Legal Foundation Against Representative Geraldine A. Ferraro 51

E. Committee Rule 9 113

F. Supplemental Evidence in Support of Complaint 114

G. Letter dated September 12, 1984, to Representative Geraldine A. Ferraro from Chairman Stokes and Ranking Minority Member Spence 131

H. Statement of Representative Geraldine A. Ferraro Respecting the Allegations of the Complaint of the Washington Legal Foundation with Two Volumes of Appendixes 133

I. Excerpts from Select Committee Report 790

J. Committee Rule 17 794

I. INTRODUCTION

This Committee is authorized under the Rules of the House of Representatives (Rule X, clause 4(e)(2)(IB)), to investigate, in accordance with Committee Rules of Procedure, any alleged violation, by a Member, officer or employee of the House, of the Code of Official Conduct (Rule XLIII). In addition, alleged violations of any law, rule, regulation or other standard of conduct applicable to the conduct of such Member, officer or employee in the perfomance of his duties or the discharge of his responsibilities are within the Committee's jurisdiction.

Title I of the Ethics in Government Act of 1978 (2 U.S.C. 701 et seq.) (see App. A) and Rule XLIV of the Rules of the House of Representatives (see App. B) require Members, officers, and certain employees of the U.S. House of Representatives to file a Financial Disclosure Statement with the Clerk of the House of Representatives on an annual basis. Reportable financial interests include income, gifts, reimbursements, holdings, liabilities, transactions, positions, and agreements. The reporting individual is also required to include information concerning his or her spouse and dependent children in most sections of the disclosure statement. However, in certain limited circumstances, the statute provides an exemption from disclosure in the case of truly independent financial interests of a spouse or dependent child.

On July 12, 1984, Congresswoman Geraldine A. Ferraro, a Member of the House of Representatives from the 9th District of the State of New York since 1978, was chosen to be the Vice Presidential running mate to Walter Mondale, the Democratic nominee for President in 1984. Press stories immediately began to appear alleging discrepances in the financial disclosure filings of Representative Ferraro. (see App. C)

News accounts from the *Wall Street Journal*, New York *Times*, Washington *Post* and the Washington *Times* called attention to the fact that Representative Ferraro had disclosed her position as an officer in her husband's business while at the same time claiming the exemption from reporting the holdings, liabilities, and transactions of her spouse and dependent children.

On August 7, 1984, the Committee on Standards of Official Conduct (the "Committee") received a complaint against Representative Ferraro (the "Respondent") from the Washington Legal Foundation ("WLF" and "Complainant"), a non-profit public interest law firm. The complaint requested the Committee "to investigate possible falisification, misrepresentations, and omissions made by Congresswoman Ferraro in her financial disclosure reports filed for the years 1978 through 1983 with respect to her holdings as well as those of her husband and children." (see App. D)

The Committee's Rules of Procedure have provisions for the panel to undertake an investigation upon receipt of a complaint transmitted to the Committee by a Member of the House. The Committee may also initiate an investigation upon receipt of a complaint directly from an individual not a Member of the House if such complaint, which is otherwise in proper form, has been submitted to not less than three Members of the House who have refused, in writing, to transmit the complaint to the Committee. (see App. E)

On behalf of the WLF, the Executive Legal Director submitted an Affidavit to the Committee certifying that the complaint had been submitted to three Members of the House who had declined in writing to transmit the complaint to the Committee. The Committee Chairman requested verification from the three Members and, on August 16, 1984, the Committee staff determined that the manner of the complaint's transmittal was proper and that approximately six of the allegations presented in the complaint were in compliance with clause 4(e)(2)(B) of Rule X of the Rules of the House of Representatives and Rule 9 of the Committee Rules of Procedure. Members of the Committee were notified on August 16, 1984 that a properly transmitted complaint had been filed.

On September 11, 1984, the WLF delivered to the Committee office a document entitled "Supplemental Evidence in Support of Complaint" and requested that the newly-submitted material be considered in support of the original complaint filed against Representative Ferraro. (see App. F) While the Supplement did not conform with Committee Rules as to its form and manner of transmittal, it was determined by the staff that it should be incorporated into the original complaint and presented to the Committee. (Section V(B))

The Committee met in Executive Session on September 12, 1984, and by unanimous vote of the twelve Members, agreed to the following resolution:

> Whereas, a properly filed complaint has been put before the Committee on Standards of Official Conduct alleging violations of House Rule XLIV (Financial Disclosure) by Representative Geraldine A. Ferraro,
>
> Now therefore be it Resolved, that the Committee determines pursuant to Committee Rule 10(b) that violations alleged in the complaint are within the jurisdiction of the Committee and merit further inquiry, and
>
> Be it further Resolved, that this Committee conduct an inquiry pursuant to Committee Rule 11(a) to determine whether such violations have occurred, and that Representative Ferraro and the Washington Legal Foundation be immediately notified of this action.

By letter of September 12, 1984, signed by the Chairman and Ranking Minority Member, Representative Ferraro and her counsel were advised of the Committee's action. (see App. G) Representative Ferraro was also advised of her right "to present to the Committee, orally or in writing, a statement respecting the allegations with respect to which the inquiry is being held." (Committee Rule 11(a)(2)(A))

On September 14, 1984, the Committee staff met with the attorneys for Representative Ferraro and were advised that a written response to each one of the allegations contained in the WLF complaint would be submitted to the Committee on or before the September 21, 1984 deadline established by the Committee. The staff was further advised that the Respondent would cooperate with the Committee and would be responsive to the Committee during the preliminary inquiry.

Chairman Louis Stokes called a meeting of the Committee for September 21, 1984, on which date counsel for the Respondent made a request for a 10-day extension of time for Representative Ferraro to submit here written statement. The extension, until October 1, 1984, was unanimously agreed to by the Committee.

This inquiry, it should be noted, was unique in several respects. The Respondent was actively engaged in a campaign for the office of Vice President of the United States and the issue of her financial status became a prominent one in the campaign. Congress was scheduled to adjourn *sine die* on or about October 4, 1984, and thereafter, Members of the Committee would be returning to their respective congressional districts. If Committee and/or House action would be required, time considerations became paramount. Pressure was being exerted by the public and the media to expedite the preliminary inquiry and dispose of the matter before the national elections, and if not, prior to adjournment of Congress. Chairman Stokes and Represenative Floyd Spence, the Committee's Ranking Minority Member, had made clear when responding to press questions on September 12, 1984, that the Committee would proceed according to its Rules, affording all due process to the Respondent consistent with those Rules, and that the staff had been directed to conduct a thorough and professional investigation.

Pursuant to the Committee's action of September 21, 1984, Representative Ferraro submitted a statement "respecting the allegations of the complaint of the Washington Legal Foundation" on October 1, 1984. (see App. H) The statement, together with two volumes of exhibits, addresses each of the allegations contained in the complaint, with particular attention being given to the exemption from disclosure of spouse and dependent children's holdings, liabilities and transactions on the Financial Disclosure Statement. (An analysis of her interpretation and use of the exemption is presented in Section V(D) of this report.)

A meeting of the Committee was held on October 5, 1984, to review the allegations in the complaint and consider the extent to which the Respondent had addressed them. During this meeting the Committee resolved that the staff should "use its best efforts" to ascertain the identity of the holdings, transactions, and liabilities of John Zaccaro, the Respondent's husband. Two factors established the foundation for the passage of this resolution. First, the Committee was aware that Representative Ferraro's claim to the exemption from disclosure of her husband's financial resources was the subject of much controversy. Second, since the WLF failed to properly allege violations relevant to the Congresswoman's claim to the exemption, the Committee needed to authorize an inquiry of the matter. Thus, pursuant to this resolution, the staff was instructed to broaden the scope of its inquiry into the financial interests of John Zaccaro as they relate to relevant disclosure of Representative Ferraro.

The following three sections of this report contain an analysis of the Washington Legal Foundation's allegations (Section II), the Respondent's submissions in response to those allegations (Section III), and the Committee's independent investigatory procedures (Section IV).

II. THE WASHINGTON LEGAL FOUNDATION'S COMPLAINT

The WLF's complaint and its supplement request the Committee to investigate possible falsification, misrepresentations and omissions made by the Respondent in her Financial Disclosure Statements filed for the years 1978 through 1983. As explained in Section V(A) of this report, the staff of the Committee did not determine that every violation alleged in the complaint complied with Committee Rules requiring specificity of the facts which relate to the allegation. A summary of the allegations which were found to be in proper form are listed below.

(1) The Respondent under reported the amount of capital gain she received on the sale of her one-half interest in property located at 231–235 Centre Street.

(2) The Respondent sold a half interest in a mortgage at 124–126 Bowery Street in October, 1978 for the sum of $30,000, but failed to report the receipt of any interest income from this mortgage during 1978.

(3) The Respondent failed to identify all of her savings accounts in 1978.

(4) A discrepancy appears on the Respondent's 1982 disclosure statement because she listed the value of her interest in the Dreyfus Liquid Assets Fund to be between $0.01 and $5,000, while she received "dividends" from the fund which were listed as being between $1,000 and $2,000.

(5) Upon amending her 1982 Financial Disclosure Statement, Representative Ferraro changed the identify of the source of a $500 honorarium from the "Washington Caucus" to "Akin, Gump, Strauss, Hauer & Feld". The WLF complaint asks which group was the source of the honorarium and whether there was actually a second honorarium.

(6) The Respondent reported purchasing bonds for $60,000 on her 1983 Financial Disclosure Statement while reporting that she had received income in the form of interest on these bonds in the $50,000 to $100,000 range.

(7) The Congresswoman failed to disclose in her 1978 disclosure report the capital gain of $58,646 she received on the sale of JEB Realty in 1978, the interest she received from JEB Realty of $876, and the transaction on liquidating the company.

(8) The Respondent failed to disclose $2,962 in income she received from P. Zaccaro Co., Inc. on her 1981 Financial Disclosure Statement.

(9) The Respondent failed to list as an asset the amounts owed to her by her campaign committee since 1978. The amounts ranged from $170,000 in 1978 to approximately $50,000 in 1984.

(10) Representative Ferraro failed to disclose in her 1978 through 1983 statements her ownership of four lots on Fire Island, New York, held solely in her name and valued by her in her Vice-Presi-

dential Financial Disclosure Report filed with the Federal Elections Commission on August 20, 1984 in the $100,000 to $250,000 range. The WLF asserts that these lots were held for investment purposes and, therefore, should have been reported.

(11) The Respondent, in her disclosure report filed with the F.E.C., identified herself as a Director since May, 1971 and Vice President since November, 1973 in her husband's company. Yet, in her House Financial Disclosure Statements, she reported her position as Secretary and/or Treasurer.

(12) The Respondent failed to list her positions with at least eight other corporations or organizations for the respective reporting periods.

III. REPRESENTATIVE FERRARO'S STATEMENT IN RESPONSE TO THE WLF COMPLAINT

The Respondent was advised of her right to submit a statement respecting the allegations in the WLF complaint in a letter of September 12, 1984, sent by the Committee's Chairman and Ranking Minority Member. On October 1, 1984, the Respondent's attorneys submitted a statement on her behalf.

In her statement, Representative Ferraro asserts that her Financial Disclosure Statements for the years 1978 through 1983 contain inadvertent and nonwillful mistakes, a fact which she has publicly acknowledged. Accordingly, the issue to be answered by the Committee's preliminary inquiry, the Congresswoman argues, was whether the acknowledged and now corrected mistakes should be treated as actionable violations of House Rule XLIV.

The Respondent's statement can be divided into three sections. In the introductory section, Representative Ferraro discusses her financial disclosures to date, including her separate and joint federal tax returns for the years 1978 through 1983. The introduction also states that at a press conference held on August 21, 1984, the Congresswoman committed herself to correcting any mistakes in her Financial Disclosure Statements that should come to light during the preparation of her Vice-Presidential Financial Disclosure Report. Indeed, amendments to her Financial Disclosure Statements were filed on October 1, 1984, with the Clerk of the House of Representatives.

The second section of her statement asserts that Representative Ferraro reasonably and correctly asserted the spouse and dependent child exemption in each of her Financial Disclosure Statements. The Respondent states that her disclosure statements did not include information regarding the assets, holdings, liabilities or property transactions of either her spouse or dependent children because such information was largely unknown to her. She further states that she, herself, made the year-to-year decision to claim the exemption by relying on her interpretation of the applicable instructions attached to the disclosure forms. She neither sought nor obtained legal advice in that connection.

In the third section of the statement, the Respondent contends that she made no willful errors, omissions or misrepresentations in her disclosure forms for the years 1978 thorugh 1983. Specifically, she responds to the WLF allegations regarding her errors and omissions as follows:

1. Allegation: Under reported capital gain from sale of Centre Street Property.

Response: The Respondent asserts that she (1) acquired her one-half interest in 231 Centre Street on January 12, 1978; (2) purchased the property, along with the owner of the other one-half interst, Melro Company, for $175,000 on May 1, 1978; and (3) sold her one-half interest to Melro Company on October 5, 1978. When the Respondent disclosed the sale of the property on her 1978 disclosure form, she understated her capital gain on the sale, listing the value as Category V, $15,000 to $50,000. Her gain was $68,439, and the proper category of value for the gain was Category VI, reflecting the range of $50,000 to $100,000. An amendment to her 1978 disclosure, relevent to this capital gain, was made on October 1, 1984.

2. Allegation: Failed to disclose interest income from mortgage on Bowery Street property.

Response: The Respondent did not receive any interest income from her 50 percent ownership of the mortgage on 124-126 Bowery Street during 1978, and, therefore, had no such interest to report on her Financial Disclosure Statement.

3. Allegation: Failed to disclose savings accounts.

Response: The Respondent reports that a $15,000 loan from the First Women's Bank of New York in 1978 was unsecured and carried an interest rate of 11.58 percent. She did not use any collateral for the loan, therefore, did not fail to report any savings account used for that purpose. A second loan in 1978 for $25,000 was collateralized with a joint savings account at the East River Savings Bank. The Respondent acknowledges that she failed to report this savings account in Section III as an "interest in property" of Category III value in the $15,000 to $50,000 range. An amendment to her 1978 disclosure was made on October 1, 1984.

4. Allegation: Discrepancy appears with regard to Dreyfus Liquid Asset Fund.

Response: Representative Ferraro states that she received dividends in the Category C range, $2,501 to $5,000, from the Dreyfus Fund and that her holding in the Fund was in the Category C range, $15,001 to $50,000. Appropriate amendments to her disclosure form were made on October 1, 1984.

5. Allegation: Failed to disclose proper source of honorarium.

Response: The $500 honorarium received from the Washington Caucus in 1982 was listed on a subsequently amended 1982 disclosure form as coming from Akin, Gump, Strauss, Hauer & Feld. The Respondent asserts that there was only one honorarium received in connection with the speech. The source of the honorarium was the Washington Caucus with which one of the partners in Akin, Gump, Strauss, Hauer & Feld was a participant.

6. Allegation: Discrepancy in amount of interest from and value of bonds.

Response: Respondent contends that during 1983, she received interest on the bonds in the range of $2,501 to $5,000. Her form incorrectly listed Category F when the proper category was C. On October 1, 1984, an amendment to her disclosure report to this effect was made.

7. Allegation: Failed to disclose financial interests and transactions associated with JEB Realty.

Response: Respondent states that the WLF complaint is correct in alleging that interest income of $876 from JEB Realty was omitted from the report, a capital gain of $61,259 was understated, and the transaction of JEB Realty's liquidation was omitted from her 1978 disclosure form. The Respondent amended her 1978 disclosure form to reflect this interest income, capital gain and transaction.

8. Allegation: Failed to disclose income from P. Zaccaro Co., Inc.

Response: Representative Ferraro admits that she failed to disclose $732 in dividend income from P. Zaccaro Co., Inc. in 1980, and $2,962 in 1981. On October 1, 1984, amendments to her disclosure reports were made.

9. Allegation: Failed to disclose amounts owed by her campaign committee.

Response: The Respondent contends there was no failure to report amounts owed to her by her campaign committee because the financial disclosure requirements do not call for reporting of the balance due on a non-interest bearing loan.

10. Allegation: Failed to disclose Fire Island property.

Response: The Respondent contends that the four lots she owns on Fire Island do not have to be disclosed because they are part of her personal residence and have never been considered income-producing property.

11. Allegation: Misreported positions held in P. Zaccaro Co., Inc.

Response: The Respondent's Financial Disclosure Statements for the years 1978 through 1983 should have revealed that she became a "director" in 1971 and "vice president" in 1973 of her husband's company, P. Zaccaro Co., Inc., rather than "officer" in 1978 and "secretary" and/or "treasurer" in other years. The Respondent amended her disclosure forms on October 1, 1984, to reflect the correct information.

12. Allegation: Failed to disclose other positions held in various organizations and corporations.

Response: The Respondent asserts that she has never held any position in Freann Corporation. She does acknowledge, however, that at various times during 1978 through 1983 she served on the boards or advisory committees of seven educational or cultural organizations. These positions were inadvertently omitted from the disclosure reports. Appropriate amendments were made on October 1, 1984.

IV. SUMMARY OF INVESTIGATIVE EFFORTS AND RESULTS

This section includes a summary of information discovered and received in relation to the Ferraro inquiry. The manner in which this information is presented reveals the nature of the investigative activity that gave rise to its discovery or receipt.

The objective of the Committee staff during its investigative efforts was to obtain information that would either confirm or deny the truth of the allegations made by the WLF complaint. In addition, the staff searched for information, pursuant to the Committee's resolution of October 5, 1984, concerning the financial interests of John Zaccaro and Representative Ferraro's relationship to Mr. Zaccaro's interests.

More than fifty sources of information were examined by the staff in its investigation. The majority of this information was voluntarily provided by Representative Ferraro and her husband in an effort to cooperate with the Committee's inquiry. In this regard, the Congresswoman's attorneys were accommodating and diligent.

The names of several companies are mentioned periodically in the following pages. In order to clarify the relationship these organizations had to Representative Ferraro and her husband, the following overview is provided:

1. P. Zaccaro Co., Inc.: John Zaccaro owns two of a total of three shares in this company. Representative Ferraro owns the third share.

Frajo Associates, Inc.: John Zaccaro owns approximately one-third of Frajo's interest. His mother holds the remaining two-thirds interest.

3. Freann Realty Corporation: John Zaccaro received a salary from this company during a two year period and was an officer and director. However, the staff has no evidence showing ownership of Freann by Mr. Zaccaro or Representative Ferraro.

4. First Grand Company: According to Representative Ferraro's attorneys, this company is a partnership between Melro, a proprietorship of Manny Lerman, and Frajo, each owning 50 percent.

5. Second Grand Company: Representative Ferraro's attorneys have informed staff that this company is a partnership between Melro and John Zaccaro, each owning 50 percent.

A. FINANCIAL DISCLOSURE STATEMENTS—ORIGINAL AND AMENDMENTS

The Committee staff compared Representative Ferraro's Financial Disclosure Statements from 1978 through 1983 with her October 1, 1984 amendments for the same six years.

1. For the six years in question, amendments were made to correct categories of value, in some cases this resulted in an increase of such categories. For example, her 1979 holdings in Ridgewood Savings Bank were changed from Category B to Category C.

2. Amendments were also made under Section VI—Positions. In 1978, the change was from officer of P. Zaccaro & Son Company to Director and Vice President; in 1981 and 1982, a change was from Secretary and Treasurer of P. Zaccaro Co., Inc. to Director and Vice President. On the 1983 amendment she amended Section VI by including positions held in various non-profit organizations.

3. In the 1984 amendments, it was reported for the first time that John Zaccaro was a real estate broker and was paid a salary by P. Zaccaro Co., Inc.

4. The amendments for all six years reported that Geraldine Ferraro owned one-third of P. Zaccaro Co., Inc., and John Zaccaro owned two-thirds of P. Zaccaro Co., Inc., both valued at Category B. This was previously reported as common stock, one share, P. Zaccaro Co., Inc., category of value B.

5. In her original 1978 Financial Disclosure Statement, Section I(B) indicates there was a capital gain from the sale of property

valued at Category V. The amended 1978 Financial Disclosure Statement discloses two captal gains: (1) capital gain from the liquidation of JEB Realty Corporation, Cateory VI; and (2) capital gain from sale of 231-35 Centre Street, Category VI. The JEB Realty Corporation income was not disclosed in the original Financial Disclosure Statement, but was disclosed in the amended form. Furthermore, the amendment included the liquidation of JEB Realty Corporation under the transaction section. This was a new disclosure.

6. The amendment for each year included savings accounts in the names of the children that had not been previously disclosed.

7. For the years 1980 through 1983, there were amendments concerning honoraria, reimbursements for travel and lodging expenses, and gifts that had not been previously reported.

8. An amendment was made to Section V, Transactions, for 1982 that identified the purchase of Troy, New York New Public Housing bonds on May 3, 1982. Representative Ferraro reports that the bonds were then given to her mother.

9. Amendments were made to Section III, Holdings, that listed savings accounts not previously disclosed. Those amendments include East River Savings and Ridgewood Savings accounts in 1978.

NOTE.—The amendments disclosed no holdings, liabilities or transactions of Representative Ferraro's husband for the year 1978 through 1983, other than his two-thirds ownership in P. Zaccaro Co., Inc., and his salaries from P. Zaccaro Co., Inc., Freann Realty Corporation, and Frajo Associates, Inc.

Conclusion

The Congresswoman's original 1978 through 1983 Financial Disclosure Statements contain numerous errors and omissions. The amended filing reflected approximately 98 changes, some significant, ranging from a failure to report a capital gain with the category of value $15,000-$50,000, to the omission of her position as a board member on a cultural organization. Many of the amendments correspond to the allegations mentioned in the previous chapter involving the WLF complaint.

B. CAMPAIGN RECORDS OF COMMITTEE TO ELECT GERALDINE FERRARO TO CONGRESS

The campaign records of the Committee to Elect Garaldine Ferraro were reviewed for the years 1978 through 1984.

Included in these records was evidence of loans made to the campaign by John Zaccaro, which involved funds from the accounts of the three Zaccaro children, Donna, John, Jr. and Laura, and the repayment of such loans. Evidence of the loan made by Representative Ferraro to the Committee and its repayment also was discovered.

Conclusion

These records indicate that the financial interests of John Zaccaro and the Congresswoman's dependent children had a beneficial impact on Representative Ferraro's election efforts.

C. REPRESENTATIVE FERRARO AND JOHN ZACCARO'S 1978–1983 INCOME TAX RETURNS

The 1978 joint tax return of Representative Ferraro and her husband and the 1979 through 1983 separate returns of both individuals were examined by Committee staff. Listed are those items which do not appear in her original Financial Disclosure Statements. Tax returns containing no information relevant to financial disclosures are not mentioned.

1. 1978 joint return

Liquidation of and capital gain from JEB Realty, Inc., partly owned by Representative Ferraro.

The sale of and capital gains from two properties held by John Zaccaro—48-50 Hester Street and 16 East 92nd Street.

Savings accounts in which the aggregate amount of interest received is over $4,000.

2. 1981 separate return of Representative Ferraro

Income from P. Zaccaro Co., Inc. in the amount of $2,962.

3. 1979 separate return of John Zaccaro

Interest income of $1,303 from an East River Savings account.

A Freann Realty Corporation salary of $5,000 paid to John Zaccaro.

Capital gain from sale of 353 Broome Street.

Rent and royalty income from 353 Broome Street.

4. 1980 separate return of John Zaccaro

A Freann Realty Corporation salary of $5,000 paid to John Zaccaro.

Interest from an East River Savings account.

Capital gain from installment sale of 353 Broome Street.

A long term capital gain from partnership in Second Grand Company.

5. 1981 separate return of John Zaccaro

Capital gain from installment sale of 353 Broome Street.

Interest income from East River Savings account.

Income from Second Grand Company partnership.

A loss on a $15,430 loan to Zelsam Corporation.

A loss on sale of Carribou Corporation stock.

6. 1982 separate return of John Zaccaro

Interest income of $194 from East River Savings account.

Loss of sale of Carribou Corporation stock, purchase valued at $1,841.

Capital loss from Second Grand Company partnership.

7. 1983 separate return of John Zaccaro

Interest income from two bank accounts—Citibank and East River Savings Bank.

Capital gain from 527-29 Canal Street.

Income from Second Grand Company partnership.

Conclusion

A comparison between the income tax returns filed by Representative Ferraro and John Zaccaro for the years 1978 through 1983 and the Congresswoman's Financial Disclosure Statements for the same period of time reveals several discrepancies. Three items appearing in the returns and not included in the Respondent's original disclosure reports have since been included in her October 1, 1984 disclosure amendments. Other information listed above concerns the financial interests of John Zaccaro which the Congresswoman maintains is exempt from disclosure.

D. VICE-PRESIDENTIAL CANDIDATE FINANCIAL DISCLOSURE REPORT

On August 20, 1984, Representative Ferraro filed a Financial Disclosure Report, officially referred to as form "SF 278", with the Federal Elections Commission as a result of her nomination to be Vice-President by the Democractic Party. Information provided in this report but not disclosed in her original 1983 Financial Disclosure Statement with the House is outlined below.

This report was difficult to evaluate because it encompasses a time period from January 1, 1983 to July 31, 1984. It is not possible, in many instances, to distinguish whether a reported item refers to a 1983 financial interest or a 1984 financial interest. Thus, an item reported in the Vice-Presidential disclosure but not reported in the Respondent's 1983 Financial Disclosure Statement may not have been required to be disclosed in 1983 because it was an interest acquired in 1984. The staff, in the exercise of caution, has resolved this difficulty by assuming such items to be 1984 interests. This assumption pertains, however, to only those items which cannot be identified as to the year of receipt or ownership.

(1) Income

$38,504.00 received by John Zaccaro from Second Grand Company during 1983.

Interest income and capital gains ($15,000 to $50,000 category) on sale of 527 Canal Street received by John Zaccaro.

(2) Reimbursements

Travel and lodging expenses for Representative Ferraro totalling $4,275.00 during 1983.

(3) Holdings

Jointly held residence at Forest Hills, New York.

Jointly held residence at Fire Island, New York.

Jointly held residence at St. Croix, Virgin Islands.

Non-interest demand loan from Frajo Associates, Inc. to Representative Ferraro—$15,000-$50,000 category (this could be a loan to Frajo in 1984 for Frajo's purchase of a St. Croix Condominium).

John Zaccaro's two-thirds (two shares) holding in P. Zaccaro Company, Inc.

John Zaccaro's 30.55% ownership in Frajo Associates, Inc.

John Zaccaro's one-half ownership in Second Grand Company.

John Zaccaro's one-third interest in real property at 527 Canal Street, New York, New York, during 1983.

Frajo Associates, Inc. ownership in 69 Bank Street Condominium.

P. Zaccaro Company, Inc. two loans receivable from John DeLorenzo during 1983, categories of value being $15,000 to $50,000 and $50,000 to $100,000.

First mortgage obligation of Second Grand Company on two properties in which it has interest.

Five East River Savings accounts: Two in the name of Laura Zaccaro; three in the name of John Zaccaro, Jr.

Four mortgages held by John Zaccaro, Jr. and Laura Zaccaro.

(4) Liabilities

John Zaccaro unsecured demand loan from Max Isaacs received in 1983—$15,000 to $50,000 category.

P. Zaccaro Company, Inc. obligation to Estate of Alice Phelan—Category F. value—$50,000 to $100,000.

Unsecured demand loan at prime rate from Max Isaacs—$50,000 to $100,000 category of value—to P. Zaccaro Co., Inc.

Periodic cash advances to John Zaccaro from Frajo Associates, Inc. from 1978 through 1983, totalling between $100,000 and $250,000.

(5) Transactions

John Zaccaro's purchase and sale of real property at 527 Canal Street, New York, New York, during 1983.

Frajo Associates, Inc. purchase of condominuim located at 60 Bank Street, New York, New York, during 1983.

(6) Positions

Seven positions held by Representative Ferraro. These positions were held in organizations that were either cultural or educational. Some of these positions were held during various years from 1980 to 1983.

E. SAVINGS AND CHECKING ACCOUNTS

The Committee staff examined eight checking accounts and twenty-one savings accounts. This examination was intended to provide some indication of whether Representative Ferraro met the three standards for spousal exemption. The review of these accounts was also intended to help the staff discover any holdings, transactions and liabilities of John Zaccaro.

1. Representative Ferraro's sergeant at arms checking account

Representative Ferraro's congressional salary is deposited directly into this account. Therefore, any other checking account, either joint or separate, would have its source of desposits elsewhere. The account reflects regular payments on only two credit cards, rent, utilities, travel and meals associated with the Congresswoman's life in Washington, D.C. The credit cards appear to be in Representative Ferraro's name only and, therefore, are separate from those cards paid from a Citibank joint checking account by Mr. Zaccaro (see next heading). On only two occasions since the account was opened has Representative Ferraro written checks to her husband ($500 in June, 1982 and $100 in January, 1983). Representative Ferraro pays her own obligation to the Internal Revenue Service and New York State Department of Revenue through this account. There is no indication that Representative Ferraro makes payments from her Sergeant at Arms account for car expenses, mortgage payments, property taxes for the Forest Hill home, Fire Island vacation home and its adjoining property, or the St. Croix condominium.

2. Zaccaro joint checking account

This account was kept at Citibank for "John A. or Gerldine Zaccaro." The staff examined the account statements for the years 1978 through 1983. Several items, however, were missing from the bank statements. The staff obtained no deposit slips and, thus, expended considerable effort in matching deposit amounts with checks written to Mr. Zaccaro from all of his business and personal sources of income. The staff also discovered a great number of checks missing from the statements. Specifically, the number of checks missing for the six year period was 463. Although there appears to be no overall pattern to explain the absence of certain checks, there are some checks with similar amounts that seem to be repeatedly missing each month. These checks could include mortgage payments on both the Forest Hills residence and the Fire Island house and adjoining property. A fair percentage of the missing checks are for sums in excess of $1,000 and up to a high of $22,078.35.

Despite the absence of numerous checks, there is some information available to the Committee. While Mr. Zaccaro's signature appears regularly on the account, Representative Ferraro also signs checks from the account. The account pays for all the maintenance and expenses required for the two New York residences. There are also payments made to over fifteen different credit cards, including gasoline companies, department stores, and national credit cards (Visa, American Express, etc.). The joint account also pays for the children's education, vacations, and grocery expenses. There are also automobile loan repayments, insurance payments for both Representative Ferraro and Mr. Zaccaro and loans to the Ferraro for Congress Committee. Furthermore, the account indicates checks payable to the Queens County Democratic Organization and the New York State for Representative Ferraro's motor vehicle registration and checks signed by Representative Ferraro for cash.

Another important aspect in the staff's review is the record of deposits made to this joint account. As stated in the previous heading, Representative Ferraro's salary was deposited directly to her Sergeant at Arms account. However, there is clear evidence that Mr. Zaccaro deposited his salary, loans, and profit distribution from P. Zaccaro Company, Inc., his salary from Freann Realty Corporation, and his salary and advance from Frajo Associates, Inc. in the Citibank joint account which in turn was used for the various aforementioned expenses. The Committee has also discovered the Mr. Zaccaro received two loans from Jack Selger, a New York accountant, for $47,500 and $10,000 in July, 1980 and April of 1981 respectively, and deposited them in the joint account.

3. John Zaccaro's personal checking account at National Bank of North America

Mr. Zaccaro's personal bank account at NBNA was opened in January of 1983 with a $75,000 deposit. The initial deposit came from fees earned by Mr. Zaccaro as a Trustee in Bankruptcy. The staff found payments made to several of the same charge accounts paid from the Citibank joint checking account. Mr. Zaccaro's mortgage and condominium fee payments for the jointly-owned condominium in St. Croix were made from this account. There are also several transfers from this account to the Citibank joint checking account.

4. Joint checking account at Merchants Bank of New York

In 1983 a joint checking account was opened at Merchants Bank. The account was used to pay credit cards, mortgage and maintenance on the St. Croix condominium, insurance on the children, and a reduction of a loan at Citibank. There are also several checks made payable to John Zaccaro which were then deposited in the Citibank joint account.

5. Mr. Zaccaro's personal savings account

The savings account at East River Savings Bank for John Zaccaro did not provide the staff with any information beyond the fact that there were only two deposits, $69,000 in 1978 and $104,916.67 in 1980. The $69,000 deposit represents repayment of an improper campaign contribution to Representative Ferraro. The account has had numerous withdrawals until its closing in August 1984. The account had over $5,000 at year end from 1978 through 1982.

6. Joint savings account

The joint savings account at East River Savings has been in existence since 1971 and does not offer any information to assist the Committee in its inquiry.

7. Ten savings accounts

There are a total of ten custodial or trust accounts at the East River Savings Bank for each of the three children that existed at some point in time between 1978 and 1983. John Zaccaro serves as custodian or trustee for each account. The deposits and withdrawals were, except in rare instances, for like amounts for each child. A $5,000 withdrawal from three accounts in July of 1978 appeared to be part of an improper loan to the Ferraro for Congress Committee. Most of these accounts had a year end balance of over $5,000.

8. Three savings accounts

At Ridgewood Savings Bank there are three accounts, one for each child, with Geraldine Zaccaro as custodian. These accounts also had $5,000 withdrawals in July, 1978 and could be part of the improper loan to the Ferraro Campaign Committee. There was a $7,000 deposit made to each account in October 1978. All deposits and withdrawals were for equal amounts. The accounts were closed in September of 1981 and had an accumulated value of $5,000 or more from 1978 through 1980.

9. Frajo Associates, Inc. checking account

The staff reviewed the Citibank checking account of Frajo Associates, Inc. for the years 1978 through 1983. There was particular interest in determining what properties were owned by Frajo, whether Mr. Zaccaro received income from these properties, and what was done with that income. The account showed Frajo paying real estate taxes on the following pieces of property: (1) 218 Lafayette Street, (2) 49 Market Street, (3) 1-3 Mott Street also known as 120-3-5 Worth Street and (4) 68-70 Spring Street. The account also showed Frajo mortgage payments to an individual for the 68-70 Spring Street property from February 25, 1978 to May 25, 1983 and to a machinery company for the 218 Lafayette Street property for the years 1978-1982 (this mortgage was actually executed in either 1970 or 1971). Frajo also makes payments to the Zaccaro children for interest on a mortgage they held on 218 Lafayette Street. Three mortgages owned by the children are paid from the Frajo company.

Frajo made several payments to John Zaccaro (including a $50,000 check on September 1, 1978 and $15,000 check on May 24, 1979 that were deposited in the joint checking account at Citibank). The $50,000 payment was used in connection with the loan to the Ferraro for Congress Campaign committee.

Since the deposit slips to the Frajo account were not included in the bank statements, the staff had difficulty determining the source of the deposits. However, it is clear that Frajo owned at least four different properties and received continuous deposits that helped pay the mortgages and taxes on these properties, as well as salary and cash advances to Mr. Zaccaro. The classification of a cash advance as a loan, dividend or salary is a question which has an impact on reporting requirements of Representative Ferraro.

10. First Grand Co. checking account

A First Grand Co. checking account at the National Bank of North America from 1978-1983 was used primarily for the payment of rent on a suite at 161 E. 42d Street, a mortgage on 124-26 Bowery Street, and occasional checks to Frajo Associates, Inc. However, the checks to Frajo appear to not have been deposited in Frajo's account. The checking account also shows that for the last year of Representative Ferraro's ownership interest in 124-26 Bowery Street, she received one interest payment covering an entire year. This property is the focus of the WLF allegation that the Congresswomen failed to report interest earned on the mortgage.

11. P. Zaccaro Co., Inc. checking account

P. Zaccaro Co. Inc. maintained a checking account at Manufacturers Hanover Bank & Trust from 1978 to 1983. The account indicates that P. Zaccaro Co., Inc. rents its building on 218 Lafayette from Frajo Associates, Inc. Also from this account are loans and salary made to John Zaccaro, profit distribution to both John and Geraldine Zaccaro, insurance premiums for Geraldine Zaccaro, both car rental and car leasing expenses and loans made to Zelsam Corporation.

12. P. Zaccaro Co., Inc. checking account

The checking account at Citibank of P. Zaccaro Company, Inc. has more checks written against it than the Manufacturer's Hanover account. The account is primarily used for the real estate management business of P. Zaccaro Co., Inc. There were two separate checks paid from P. Zaccaro to John Zaccaro as conservator of Alice V. Phelan's Estate for more than $28,000 and $22,000, respectively. Also there is a check made payable to Mr. Zaccaro for payment on account for 1-3 Mott Street that was deposited into the Zaccaro personal joint checking account at Citibank.

13. Wright Patman Credit Union account

This account, in the name of Geraldine Ferraro, was opened in 1981. From that time to the end of 1983, most of the deposits to this account were from Representative Ferraro's Sergeant at Arms account, usually in the amount of approximately $1,000. The most noticeable item was a $25,000 withdrawal on July 27, 1981 which coincides with the opening of the Dreyfus Liquid Assets Fund for $25,000. The account never had a balance of more than $30,000.

14. Savings accounts in trust for Antionetta Ferraro

An account at Ridgewood Savings Bank listed as "Geraldine Zaccaro in trust for Antionetta Ferraro", had a balance of $3,640.62 on December 29, 1978, and as of 1984 had a balance of $1,541.49. Another account, had a deposit of $12,000 on April 6, 1978 and had a year end balance over $10,000 from 1978 through 1981. The account was closed in 1982.

15. Three East River savings accounts

John Zaccaro, in response to inquiries made by the F.E.C. concerning his financial holdings, stated that in February, 1979, he held a joint savings account with his mother. The staff requested information on this account to determine whether it was reportable on Representative Ferraro's Financial Disclosure Statements.

One account, in the name of Rosina Vacca and John Zaccaro, was opened in April, 1974 with an amount over $34,000. A second account in the name of John Zaccaro and Rosina Vacca was opened on February 15, 1974 with a $35,000 deposit. Finally, another account in the name of John Zaccaro and Rosina Vacca, was opened on April 13, 1978 with $47,450.45 which had been transferred from yet another account. None of these accounts appear on Representative Ferraro's disclosure forms.

16. Three East River Savings Bank loans

The Committee staff requested identification of all loans taken out in the name of Representative Ferraro and/or her spouse because of unidentified loan payments written on their joint Citibank checking account.

A loan in the name of John Zaccaro was made on October 18, 1978, with a savings account held by himself and his mother as collateral. The loan was for $31,000. There were two small payments made on this loan during 1979 and, on April 15, 1980, the balance of the loan was paid in the amount of $30,984.37 using funds from the same savings account. This liability was never reported on any of Representative Ferraro's Financial Disclosure Statements.

A second loan was in the name of John Zaccaro for $30,000. There were some payments made on the loan during 1979 and 1980, with a final payment of $28,129.94 made on April 15, 1981, using funds from a John Zaccaro and Rosina Vacca savings account used as collateral.

Another loan in the name of John Zaccaro for $50,000 was taken out on August 29, 1978. This third loan had a balance of $48,429.70 which was paid off on April 15, 1980, with funds withdrawn from a savings account held by Mr. Zaccaro and his mother.

F. TAX FILINGS

The 1978 through 1983 Federal income tax returns for P. Zaccaro Co., Inc., the 1980 through 1983 returns of First Grand Co., and the 1980 through 1983 returns of Frajo Associates, Inc. were provided by Representative Ferraro's attorneys. Some tax filings for the Zaccaro children for the years 1978 through 1983 were reviewed by staff.

In its 1980 through 1983 filings, Frajo took a depreciation for property at 1-3 Mott Street, 218 Lafayette Street, 68-70 Spring Street and 49 Market Street. The Frajo filings also identify loans/cash advances receivable of an amount exceeding $83,000 in 1980 and $96,000 in 1981. Frajo also purchased a condominium at 69 Bank Street in 1983. It is the staff's belief that 69 Bank Street is also the address of the oldest Zaccaro daughter. The tax returns showed no indication that any income is derived from that property. Also, Mr. Zaccaro received a salary of $10,000 in both 1980 and 1981 from Frajo.

The tax filings for P. Zaccaro Company, Inc. confirm Mr. Zaccaro's full time employment and two-thirds ownership of the company. He also received a salary from P. Zaccaro for each of the six years Representative Ferraro was a Member of Congress. The tax filings for 1982 disclose on Schedule K-1 that Representative Ferraro performed part time work for the corporation, with no compensation.

G. FRAJO ASSOCIATES PROPERTY

Records indicate that Frajo Associates, Inc. purchased property at 68-70 Spring Street from the Deimprovement Corporation on March 20, 1972 for the price of $82,000. Records also indicate a mortgage note from Frajo Associates, Inc. to American Savings & Loan Association dated December 13, 1983 for $350,000 on property at 1-3 Mott Street. This property is jointly owned by China Mott Associates and Frajo Associates, Inc. Also, Frajo received one-half interest in a mortgage on property located at 185 Lafayette Street. Frajo was assigned the one-half interest by M.P.S. Realty, the sole holder of the mortgage.

From the property records examined, it was learned that Frajo owned, and the Zaccaro children held the mortgage on, property at 85 Christie Street from 1972 to the present. Also, Frajo owned 68-70 Spring Street from 1972 to 1983.

H. DREYFUS LIQUID ASSETS FUND

The staff investigated this account in an attempt to identify the funds used to open and maintain the account and to trace any withdrawal that would identify any holding of Representative Ferraro and her spouse. Furthermore, WLF also questioned the amount of interest reportedly received from this fund by Representative Ferraro.

This is a joint account in the names of Geraldine Ferraro and John Zaccaro, opened on August 25, 1981, with a $25,000 deposit. On January 29, 1983, there was a $25,000 withdrawal. This money was used to purchase the MAC Bonds reported by the Respondent. The account had only two other significant transactions ($4,000 withdrawal on November 16, 1981; $3,000 deposit on January 16, 1982). The source of the $25,000 was the withdrawal of the same amount from Representative Ferraro's Wright Patman Credit Union account on July 27, 1981. The Dreyfus Fund was reported on Representative Ferraro's 1978 through 1983 Financial Disclosure Statements.

I. CHEMICAL BANK LOAN

On May 12, 1977, John Zaccaro borrowed $12,632.76 from Chemical Bank of New York. It appears that in 1978 this would have been a liability of more than $10,000 and, therefore, a possible reportable item on Representative Ferraro's Financial Disclosure Statement. This loan was in the name of John Zaccaro, and Representative Ferraro's name does not appear on any of the documents. This loan was made for the purchase of a boat used at the Fire Island vacation home.

J. DEMAND NOTE FROM MAX ISAACS

Representative Ferraro's attorneys informed the staff that on December 23, 1983, John Zaccaro borrowed $20,000 from Max Isaacs with a demand note dated December 27, 1983, at 11.50 percent interest. This loan was reported on Representative Ferraro's Vice-Presidential disclosure form. The $20,000 was deposited in the joint checking account of Representative Ferraro and Mr. Zaccaro at Merchants Bank of New York. This same account was used to pay charge cards, reduce a Citibank loan, and pay maintenance fees on the jointly owned St. Croix condominium.

K. SECOND GRAND—MELRO PARTNERSHIP

Records indicate that a partnership was formed on May 1, 1978, between Second Grand Company, partly owned by John Zaccaro, and Melro Company. This partnership acquired 200 Lafayette Street on August 4, 1980, for $670,000. John Zaccaro paid $12,500 towards the deposit. The 200 Lafayette Street property was never reported as a holding and the rental payments were never reported as income on Representative Ferraro's Financial Disclosure Statements. The property was rented to Star Publishers and others, so it produced income for the partnership. Mr Zaccaro did receive income from Second Grand Company in 1983 of over $38,000, however, the income for any other years is not known, (in 1982 he sustained a loss) since the Committee never received its bank statements, tax filings or ledgers. Representative Ferraro's name does not appear on any of the documents.

L. FREANN REALTY CORPORATION

WLF alleged that Representative Ferraro held a position in this corporation which she failed to report. Therefore, the staff examined Freann Realty Corporation documents to evaluate this allegation.

Documents obtained from new York City Corporation Records department reveal that Freann Realty Corporation was incorporated on Arpil 17, 1965, at which time the incorporators were Fred W. Henche and John Zaccaro. The corporation filed a Certificate of Dissolution on August 15, 1980, at which time Rosina Vacca was listed as President and Director. John Zaccaro was listed as Secretary-Treasurer and Director, and Geraldine Ferraro was listed as Director.

Furthermore, mortgage records concerning 46 Delancey Street, New York, N.Y., disclose that on February 20, 1973, Geraldine Ferraro signed a mortgage paper for Freann Realty Corp. in which she indicated her position as Secretary of Freann Realty Corporation. This document was recorded on February 23, 1973. Representative Ferraro did not disclose her position with this corporation on her 1980 Financial Disclosure Statement. It is not known if she was an officer of Freann for the years 1978 and 1979.

M. BOWERY SAVINGS BANK

During the previously described investigation of the bank accounts of Representative Ferraro and John Zaccaro, a deposit of $75,000 into Mr. Zaccaro's personal account with National Bank of North America was discovered. The staff could not determine the source of the money. Representative Ferraro's attorneys provided a copy of a letter and a check from Bowery Savings Bank for $75,000 to John Zaccaro. The letter, dated January 6, 1983 from Jack Ralston, Bowery Savings Bank, to John Zaccaro, states: "Pursuant to the notice of motion dated November 22, 1982 submitted to the Bankruptcy Court by your attorney and with the approval of the Bank's counsel, I enclose a bank check made payable to John A. Zaccaro in the amount of $75,000 representing payment in full of your statutory commission of services rendered as trustee of the estate of Jewel Terrace Corporation." No disclosure of this commission is made in Representative Ferraro's 1983 financial statement.

N. CITIBANK LOAN

Representative Ferraro's attorneys informed the staff that a loan for $10,000 was obtained in 1982 from Citibank in the name of John Zaccaro. The loan balance never exceeded $3,000 in 1983.

O. TITLE SEARCHES

The Committee requested the staff to search for records that would identify holdings of Representative Ferraro's spouse. In this regard, a document search disclosed the following properties in which Frajo Associates, Inc. had interests.

(1) 49 Market Street.

(2) 69 Bank Street.

(3) 218 Lafayette Street.

(4) 1-3 Mott Street (a.k.a. 201-3-5 Worth Street).

(5) Block 3, Lot 1 of District 0503, Section 2 located on Fire Island, New York.

(6) 185 Lafayette Street.

A document search disclosed the following properties in which Freann Realty, Inc. had interest.

(1) 354 Bowery Street.

(2) 270 Bowery Street (a.k.a. 254-56 Elizabeth Street).

(3) 46 Delancy Street.

A document search disclosed the following property in which P. Zaccaro Company, Inc. had an interest.

(1) 86-96 Kenmare Street (a.k.a. 187-189 Mulberry).

One additional property was the subject of a record search. The following information was obtained pertaining to 231-35 Centre Street (a.k.a. 158-62 Grand Street).

Representative Ferraro discloses ownership of one-half of this property on her 1978 Financial Disclosure Statement and on her 1978 joint tax return. The sale, during 1978, of this property is also disclosed. New York City real estate records indicate that this property was purchased on May 1, 1978 by the Polarob Realty Corp. The only recorded document in N.Y. City regarding Representative Ferraro's relationship to this property is an indenture filed on a N.Y. State Bargain & Deed form dated November 4, 1978, wherein Representative Ferraro assigned her one-half ownership to Melro Company. The staff has received no documentation from the Respondent that demonstrates the purchase of this property. Attorneys for the Respondent have identified check #5164 in the amount of $11,697.50, drawn on her joint Citibank checking account in May 1978, as the form of partial payment for the property. Committee staff was told that the balance of the downpayment came from Representative Ferraro's Citibank checking account. Staff was not provided with either of these checks.

Furthermore, the Committee staff reviewed the text of a letter dated November 15, 1978, from John Zaccaro to Manny Lerman which states: "In connection with the real estate enterprises which we have undertaken in the past, there is an obligation flowing to you with respect to 231 Centre Street, N.Y., N.Y. Accordingly, I agree that the Frajo Realty Corp. share in 230 Grand Street (a.k.a. 124-26 Bowery) shall be conveyed to you forthwith by deed held in escrow by Murry Kalich for a period of 4 months pending settlement of our accounts." This letter contains both the signature of John Zaccaro and Manny Lerman.

V. Review of Legal Issues

A. COMMITTEE RULE 9(a)—SPECIFICITY OF AN ALLEGED VIOLATION

The allegations in the WLF complaint can be separated into two categories. One category includes allegations specific in nature.

These allegations identify the particular items that were either misreported or omitted. For example, it is alleged that Representative Ferraro failed to disclose on her 1978 statement the income received from the liquidation of JEB Realty Corp. This allegation, and several others like it, specifies the item not reported and the year in which it should have been reported.

The other category of allegations includes those who are nonspecific in their form. This list of allegations would contain those which simply offer accusations of impropriety, but which do not inform the reader of any specific facts. An example of this type of allegation would be that Representative Ferraro failed to disclose on her 1978 through 1983 statements information relating to her husband's financial holdings. Offering no information as to what financial interests her husband held, this allegation assigns an unlimited scope to the investigative staff.

The issue in the Ferraro investigation is whether the latter category of allegations are in compliance with Committee Rules concerning the proper form of a complaint. Committee Rule 9(a) requires that the facts alleged to give rise to the violation must be set forth in simple, concise, and direct statements. (see App. E)

According to Committee Rule 10(a)(3), a complaint shall be filed with the Committee only after the staff has reviewed the complaint and determined that it complies with Rule 9. Thus, any allegation not conforming with the requirements of Rule 9 would not be the subject of further consideration by the Committee.

A primary purpose of Rule 9 is to insure that a complaint has sufficient detail and merit to establish a potential basis for Committee inquiry. This is why subparagraph 4 of Rule 9(a) requires specific facts constituting a violation. Without such facts, the Committee is faced with an unlimited investigative scope, and is unable to determine what amount of information will satisfy the breadth of the allegation.

Furthermore, to not require the specific facts giving rise to an allegation would establish an unacceptable policy. For example, a complaint alleging that a Member failed to disclose all outside income received during a three year period would require the Committee to examine nearly every aspect of the Member's life in that period of time to insure that no possible income remained undiscovered. Such a complaint, however vague concerning the facts of a violation, could trigger an unfocused investigation into a Member's personal affairs. It is important to note that the Committee may determine on its own initiative to conduct such inquiries. The point of concern, however, is whether the Committee should establish rules which would *require* them to take such actions.

As previously stated, a portion of the WLF allegations are nonspecific. These allegations charge that Representative Ferraro failed to disclose for a period of six years the holdings, liabilities, and transactions of her husband and dependent children. Because the WLF complaint is virtually unlimited in its scope, the staff determined, in light of the above interpretation of the Committee Rules, that only the specific allegations in the WLF complaint were in compliance with Rule 9(a).

B. AMENDING A COMPLAINT

On September 11, 1984, the WLF submitted a document to the Committee entitled "Supplemental Evidence in Support of Complaint." The most significant aspect of this document is the presentation of many new allegations concerning items omitted from Representative Ferraro's disclosure statements. It is clear from the language in the document that the WLF intended the document to be a supplement to the original complaint filed on August 16, 1984. Indeed, the following day, September 12, 1984, the Committee voted unanimously to conduct a preliminary inquiry concerning the allegations in the WLF's complaint and supplement.

It should be noted, however, that the WLF's supplement, standing alone, does not comply with Committee Rules regarding proper form. Instead, the WLF apparently assumed that the original complaint's compliance with the rules was sufficient for purposes of the supplement. This assumption raises the issue of when—up to what point in time—may a complaint be amended or supplemented.

Committee Rule 10(b) states that the Committee must determine whether a violation alleged in a complaint is within the jurisdiction of the Committee and whether it merits further inquiry before a preliminary inquiry can be commenced. If allegations against a Member are not given consideration at a meeting of the Committee held pursuant to Rule 10(b), such allegations may not be the subject of a formal Committee inquiry. While the Committee Rules are silent on the question, it is reasonable to conclude that any amendment or supplement to a complaint already evaluated by the Committee in a Rule 10(b) meeting, should not be considered as part of the original complaint because the allegations in the amendment have not been subject to the scrutiny exercised in a Rule 10(b) meeting. Instead, such amendment or supplement must be treated as a new complaint and be subject, therefore, to the proper form requirements of Rule 9.

C. AMENDING PREVIOUSLY FILED FINANCIAL DISCLOSURE STATEMENTS

The practice of amending disclosure statements is not directly addressed in the Ethics in Government Act ("EIGA") or in any Rules of the House of Representatives. One provision in EIGA, Section 105(a) of Title I, charges the Committee with the responsibility of establishing procedures for the review of disclosure statements in order to determine whether such statements are filed in a timely manner, are complete, and are in proper form. The Committee is also assigned the duty of informing the reporting individual of any failure to satisfy such filing requirements, and of directing the individual to take corrective action. Accordingly, the Committee staff notifies many Members each year of apparent oversights in their disclosure statements.

A Rule of the House of Representatives which has some relevance to this issue is Rule XLIV. (see App. B) Requiring the Clerk of the House to compile all disclosure statements of Members sent to him within the period beginning on January 1 and ending on May 15 and to have them printed as a House document by July 1, Rule XLIV has the effect of increasing public availability of the statements. Amendments to disclosure statements filed after May 15 but shortly before July 1 are included within the House document. The reason for including such amendments is that they are not new statements. They are additions to statements that have, in general, been timely filed.

As previously stated, it is not uncommon for the Committee staff to contact a Member, after reviewing his disclosure statement, and advise him to make certain corrections. Typically, a Member will fail to include dates upon which honoraria were received or to complete a section which was inadvertently overlooked. In addition, several Members discover information unknown to them at the time their statements were initially filed. These Members usually submit amendments on their own initiative.

A common characteristic of the above described corrective actions is that the Members act in a spirit of good faith. Respecting the intention of EIGA to provide certain financial information to the public, such Members are generally interested in making full disclosure. Their amendments are submitted under no threat of disciplinary action by the House. Rather, their actions are of a voluntary nature evidencing their good faith.

In considering when a Member loses this presumption of good faith, it would be unfair to assume in all cases that a Member against whom a complaint has been filed may no longer act in good faith. Such an assumption would not fit in the case of a complaint submitted immediately after a Member has filed his statement, before he has an opportunity to make necessary corrections at the request of the Committee staff.

This is not the case, however, when a Member is the subject of a properly filed complaint *and* the Committee has voted to conduct a preliminary inquiry. Such a Member is faced with the threat of disciplinary action. Given the timetables established in the Committee rules, the accused Member, who wishes to demonstrate his good faith, would have sufficient opportunity to make the necessary corrections *before* the Committee met to consider the complaint. Once an inquiry has begun, the spirit of good faith, which serves as the foundation of the Committee policy of accepting disclosure amendments, no longer can be said to exist. Were the Committee to hold otherwise, Members could fail to make complete disclosure and then provide missing information only after the Committee has initiated investigative measures. The Member would furnish the missing information with the confidence that no negative consequences would be forthcoming.

Clearly, the above conclusions apply to Represenative Ferraro matter. The WLF provided the Congresswoman with a copy of their complaint on or about August 7, 1984. Furthermore, the fact of the complaint's filing was the subject of wide spread media attention. The Committee initiated its preliminary inquiry on September 12, 1984. Yet, it was not until October 1, 1984, that she submitted amended statements relative to the last six years. If Representative Ferraro wanted to demonstrate a good faith concern for making complete disclosure, the time to amend was immediately after she had notice that her statements may have contained errors and omissions. That notice came on or about August 7, 1984. By waiting until October 1, 1984, when she was the subject of a disciplinary inquiry, the Congresswoman's intentions were not characterized with a beneficial presumption.

D. THE EXEMPTION FOR SPOUSE AND DEPENDENT CHILDREN DISCLOSURE

A matter of primary focus in the Ferraro inquiry concerns the proper interpretation and application of the so-called exemption for spouse and dependent children disclosure. The exemption, comprising section 102(d)(1)(D) of EIGA, provides that a Member is *not* required to disclose the following information:

> . . . items (i) which the reporting individual certifies represent the spouse's or dependent child's sole financial interest or responsibility and which the reporting individual has no knowledge of, (ii) which are not in any way, past or present, derived from the income, assets, or activities of the reporting individual, and (iii) from which the reporting individual neither derives, nor expects to derive, any financial or economic benefit.

The three standards found within the exemption are often referred to as the "knowledge test", the "independence test", and the "benefit test" respectively. A Member must satisfy *all three tests* before excluding an item from his disclosure form. In addition, the disclosure form requires a Member to acknowledge (at part VIII, Question A) that an item has not been disclosed because the Member meets the three standards for exemption.

The specific issue is whether a Member is required to disclose the financial interests of her spouse when the Member is generally unfamiliar with the spouse's financial interests. Stated differently, the question is whether the exemption can be successfully claimed by a Member who declares that she and her husband live separate professional lives, but admits that they do not live completely separate financial lives.

Representative Ferraro argues in her statement submitted to the Committee on October 1, 1984, that the Committee has misinterpreted the purpose of the exemption and, thus, has incorrectly instructed Members as to its application. In addition, she asserts that in light of the practice of other Members during the six year period that she has been a Member of the House, it would be unfair to single her out on the issue of spousal disclosure.

The Congresswoman's assertion that the Committee has misinterpreted the purpose of the exemption centers on the notion that the exemption was intended to be available to Members with "working marriages". Since the issue of spousal disclosure in the case of broken marriages is specifically addressed in another section of the statute, Representative Ferraro concludes that the exemption was drafted with successful marriages in mind. Thus, it would frustrate the purpose of the exemption to interpret any of the three tests so broadly that few, if any, married Members could avail themselves of it. To construe the exemption as the Committee has done, the Congresswoman observes, would require Members and their spouses "to have separate refrigerators".

It is import to note that Representative Ferraro does *not* insist that she does not derive any benefit from her husband's financial interests. In fact, she argues just the opposite. The Congresswoman states that her benefit ". . . flowed from a pool of resources created by her spouse's business activities . . .", and that ". . . collectively they (her husband's financial interests) had a favorable net result which was beneficial to her . . ." (see App. H). She offers this assertion to further her claim that she is so unaware of the specific financial interests of her husband that she does not know from which items she derives a benefit.

In response to Representative Ferraro's interpretation, the Committee staff examined the policy of the Committee regarding the exemption and reviewed the statute's legislative history. While the staff may agree that the meaning of the exemption is far from clear, it cannot agree with Representative Ferraro's assertions. Significant documentation exists which indicates that the exemption was not intended to apply to most marriages. It is only under rare circumstances, as will be discussed below, that the exemption is available.

The spouse and dependent exemption as originally passed by the House contained a two-part test instead of the present three-part test. The "knowledge test" was not included in the House version of EIGA until the House-Senate conference committee met. Despite this difference, the comments found in the Select Committee on Ethics' report on Title I of EIGA are quite informative. The language of the "benefit test" was the same at the time of the Select Committee's comments as it was for each of the years in which Representative Ferraro filed a disclosure statement. The Select Committee offered the following remarks:

> The committee believes that in all but the most unusual of circumstances, the assets, debts and holdings of a spouse or dependent would be shared by or potentially accrue to the benefit of the reporting individual. The legislation, therefore, requires that such interests be disclosed *unless* the reporting individual certifies that the interests were obtained and are held independently of the reporting individual, and that the reporting individual neither derives nor expects to derive, any benefit from those independent interests. This benefit test should be interpreted very broadly. For example, the committee tabled an amendment which would have changed the exemption to read ". . . neither derives, nor expects to derive, *other than through inheritance* . . . any benefit . . ." (emphasis added). Thus, the potential receipt of benefit from interests held by a spouse or dependent should be construed quite liberally. These disclosure requirements do not preclude the possibility that in a given situation, the business or family arrangement would be such that certain spouse or dependent holdings would not have to be reported. As a general principle, however, it is the intent of the bill that holdings of a spouse and dependent should be fully reported. (See App. I)

The comments of the Select Committee speak for themselves. The Committee staff simply notes that in the six years since those words were written, there have been no instructions of a contrary nature concerning the exemption. The disclosure form used each year quoted the actual language of the exemption. The form employed from 1978 through 1983 provided additional instructions stating. "In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. Moreover, in certain limited circumstances, the truly independent financial interests of a spouse or dependent would be exempt from disclosure." In addition, in 1980 the Committee made available an instruction booklet which described in considerable detail how the exemption should be applied. The "benefit test" was explained as follows:

> The "benefit test" that must be met should be interpreted very broadly. This standard for exemption requires that the reporting individual "neither derives, nor expects to derive, any financial or economic benefit from the item." The individual would benefit if income from the holdings of a spouse or dependent was used, for example, for vacations, the education of dependents, the maintenance of a home, etc. In addition, the potential receipt of benefit from interests held by the spouse or dependent would apply if the reporting individual had the possibility of an inheritance from the interest. Thus, the benefit test should be constructed quite liberally.

In light of the above quotations, the staff must recommend that the Committee concludes that Representative Ferraro's interpretation of the statute is not correct. As to the application of the exemption to the particular facts of Mr. Zaccaro's financial interests, the staff offers recommended conclusions on that matter in the final section of this report.

Nevertheless, the staff does not suggest that the Committee should not recognize that the exemption was subject to a degree of ambiguity. Despite the staff's contention that the Congresswoman has misinterpreted the exemption, the practice of Members in this area has encouraged confusion regarding the exemption's meaning. Several Members have apparently claimed the exemption under circumstances similar to Representative Ferraro's. To the extent of the similarities, the practice of other Members has some mitigating effect on Representative Ferraro's impropriety.

VI. Summary of Precedents

The Committee has considered several questions in the course of the Ferraro inquiry which are of a precedential value. A list of perhaps the most significant issues and determinations would include the following (listed in chronological order):

1. VERIFICATION OF REFUSAL TO TRANSMIT

Upon receipt of the WLF complaint, the Committee staff immediately proceeded to obtain verification of the assertion in the complaint that three Members had refused in writing to transmit the complaint to the Committee. A written request was delivered to each of the three Members asking for their verification. Each provided such verification in writing within a short period of time after receipt of the Committee's request.

2. SPECIFICITY OF FACTS ALLEGED IN WLF COMPLAINT

As discussed previously in this report, several of the allegations in the WLF complaint failed to allege the specific facts which gave rise to the alleged violation. The Committee staff determined that these allegations did not comply with Committee Rule 9(a)(3) and, therefore, did not merit the staff's approval for filing purposes.

3. AMENDMENTS TO COMPLAINT

The WLF submitted a supplement to their original complaint on September 11, 1984. Since the Committee had not met prior to this submission to determine whether the complaint was within the Committee's jurisdiction and merited further inquiry, the Committee considered the supplement as part of the original complaint. The Committee's decision regarding the status of the supplement would have been different if it had been submitted after the Committee voted to initiate a preliminary inquiry.

4. THE EFFECT OF AMENDMENTS TO DISCLOSURE STATEMENTS

A discussion of this issue is provided in the preceding section of this report. While the Committee staff has concluded that amendments to previously filed Financial Disclosure Statements may or should not result in the dismissal of disciplinary procedures, the amendments may have some mitigating effect on the resolution of the matter if other circumstances reveal the presence of good faith by the Member.

5. SCOPE OF AN INVESTIGATION

The scope of the Ferraro inquiry was broadened by the Committee to include an investigation into the holdings, liabilities and transactions of John Zaccaro, Representative Ferraro's husband. The focus of this additional inquiry was to determine whether items in those categories should have been reported in the Congresswoman's disclosure statements. The increased scope of the Ferraro inquiry was a result of the failure of the WLF complaint to properly allege violations concerning the financial interests of Mr. Zaccaro. The Committee determined that the matter of Mr. Zaccaro's financial interests and Representative Ferraro's relationship to those interests was of central importance to the question whether the Congresswoman properly claimed the exemption.

6. THE INTERPRETATION OF THE DISCLOSURE EXEMPTION

The Committee staff has concluded, after a review of the legislative history of the exemption and in light of the Committee's consistent advisory policy regarding the exemption's application, that the exemption can be successfully claimed in rare circumstances. The broad impact of the "benefit test" significantly limits the availability of the exemption. This issue has undergone a rather lengthy analysis in the preceding section of this report.

VII. CONCLUSION

The staff of the Committee suggests that two conclusions can be drawn from the investigation conducted. Both conclusions are clearly supported by the records, materials and documentation summarized in section IV of this report, and by the admissions and assertions offered by Representative Ferraro in her statement of October 1, 1984, and by the amendments to her 1978 through 1983 Financial Disclosure Statements.

The two conclusions are:

1. Representative Ferraro either failed to disclose or incorrectly disclosed a significant number of items relevant to her total financial concerns. As a result, approximately ten of the allegations in the WLF complaint are sustained.

2. Representative Ferraro did not meet the three standards necessary for claiming the exemption from disclosure of her husband's financial interests. Her inability to successfully claim the exemption centers on the benefit she has received from her husband's financial activities. The preceding pages of this report identify many items which would be characterized as the financial interests of John Zaccaro. Maintenance of the Forest Hills home, education of the children, and the purchase of vacation properties are three examples of expenses covered with John Zaccaro's financial resources.

While the Committee rules provide for the issuance of a Statement of Alleged Violation at the conclusion of a preliminary inquiry, the number of days remaining before the start of the 99th Congress, are too few for disposition of the complaint under regular Committee procedures. Nevertheless, in order to reach a disposition on the WLF complaint and the inquiry ordered by the Committee on October 5, 1984 concerning the financial interests of John Zaccaro and the use of the exemption, the Committee accepts the staff's recommended conclusions at this stage of the inquiry and its view of an appropriate action.

Before accepting such conclusions, the Committee wishes to weigh at least two considerations which reflect favorably on Representative Ferraro's position in the matter relating to the WLF complaint. First, no information received by the Committee staff in the course of its investigation indicates a deceptive intent on the part of Representative Ferraro. Instead, all facts point to error, oversight, and misinterpretation as the reason for the incomplete disclosures. Second, the Congresswoman has amended her 1978 through 1983 disclosure statements to include nearly all of the information originally omitted or misreported. While these amendments do not cure the alleged violations of House Rule XLIV (as concluded in section V of this report), the fact of their filing may indicate the Congresswoman's willingness to make full disclosure.

In light of the staff's findings, the Committee is faced with the question of determining the appropriate action. The Committee's consideration regarding the proper disposition is primarily for the benefit of the historical record since the full House of Representatives is unable to take formal action as a result of its adjournment *sine die*. Nevertheless, the Committee can determine what action it would have recommended to the House had the latter body been available for deliberations.

The staff recommends, therefore, that the Committee conclude with regard to the errors and omissions alleged in the WLF complaint, that Representative Ferraro has committed violations of House Rule XLIV constituting a technical violation. A technical violation is a determination made available to the Committee pursuant to Committee Rule 17(c)(2). It carries no recommendation for action when a report of such a finding is made to the House. (see App. J)

With regard to the non-disclosure of John Zaccaro's financial interests, the staff recommends that the Committee forego the assignment of appropriate action. Unlike her response to the various errors and omissions alleged in the WLF complaint, Representative Ferraro has not admitted that she should have disclosed information pertaining to her husband's financial interests. While the staff has confidence in the results of its analysis on this issue, the question, as it relates to Representative Ferraro, has not undergone examination in a disciplinary hearing. Therefore, the Committee's designation of an appropriate action for such non-disclosure may be premature.

Furthermore, notwithstanding the staff's suggested conclusions that Representative Ferraro misinterpreted and improperly claimed the exemption for disclosure, the exemption's proper use is clouded with some amount of ambiguity. The Ferraro matter has provided the opportunity for the Committee to clarify the meaning of the exemption, and put all Members on notice of its proper use.

This report was approved by the Committee on Standards of Official Conduct on December 3, 1984, by a vote of 12 yeas, 2 nays.

STATEMENT UNDER RULE XI CLAUSE 2 (l)(3)(A) OF THE RULES OF THE HOUSE OF REPRESENTATIVES

The Committee made no special oversight findings on this report.

DISSENTING VIEWS OF REPRESENTATIVE HANK BROWN

The Committee has acknowledged the staff's conclusion that Representative Ferraro improperly claimed the exemption in failing to disclose her husband's financial interests. In fairness to all concerned, I would prefer that the Committee proceed with a hearing on this portion of the accusations during the month remaining in the 98th Congress.

The law requires the disclosure of Representative Ferraro's spouse's financial interests. Such disclosure of John Zaccaro's financial interest has not been made. To conclude the Committee's work without requesting this disclosure or even scheduling hearings on the subject does not do justice to our responsibilities under the law.

In The Matter of Representative George V. Hansen the Committee was moved to action in spite of the Member's contention that his spouse was not required to disclose her financial interests. While Representative Ferraro has amended her own financial information, the information relating to her spouse's financial disclosure has not been completed. The Committee should not establish a double standard by inaction.

HANK BROWN.

APPENDIX A

2 U.S.C. sec. 701 et seq.

PUBLIC LAW 95-521, 95TH CONGRESS, AS AMENDED BY PUBLIC LAW 96-19

TITLE I—LEGISLATIVE PERSONNEL FINANCIAL DISCLOSURE REQUIREMENTS

COVERAGE

SEC. 101. (a) Each Member in office on May 15 of a calendar year shall file on or before May 15 of that calendar year a report containing the information as described in section 102(a).

(b)(1) Any individual who is an officer or employee of the legislative branch described in subsection (e) during any calendar year and performs the duties of his position or office for a period in excess of sixty days in that calendar year shall file on or before May 15 of the succeeding year a report containing the information described in section 102(a) if such individual is or will be such an officer or employee on such May 15.

(2) Any individual whose employment as an officer or employee described in subsection (e) is terminated in any calendar year may be required—

(A) under the rules of the House of Representatives, if such individual would, but for such termination, file a report with the Clerk pursuant to section 103(a), or

(B) under the rules of the Senate, if such individual would, but for such termination, file a report with the Secretary pursuant to section 102(b),

to file a financial disclosure report covering (i) that part of such calendar year during which such individual was employed as such an officer or employee, and (ii) the preceding calendar year if the report required by paragraph (1) covering that calendar year has not been filed.

(c) Within thirty days of assuming the position of an officer or employee described in subsection (e), an individual other than an individual who was employed in the legislative branch immediately before he assumed such position, shall file a report containing the information as described in section 102(b) unless the individual has left another position described in subsection (e) within thirty days prior to assuming his new position. The provisions of the preceding sentence shall not apply to an individual who, as determined by the designated committee of the Senate or the designated committee of the House, as appropriate, is not reasonably expected to perform the duties of his office or position for more than sixty days in a calendar year, except that if he performs the duties of his office or position for more than sixty days in a calendar year, the report required by the preceding sentence shall be filed within fifteen days of the sixtieth day. This subsection shall take effect on January 1, 1979.

(d) Within thirty days of becoming a candidate in a calendar year for any election for the office of Member, or on or before May 15 of that calendar year, which ever is later, but in no event later than seven days prior to the election, and on or before May 15 of each successive year the individual continues to be a candidate, an individual shall file a report containing the information as described in section 102(b). Notwithstanding the preceding sentence, in any calendar year in which an individual continues to be a candidate for any office but all elections for such office relating to such candidacy were held in prior calendar years, such individual need not file a report unless he becomes a candidate for another vacancy in that office or another office during that year.

(e) The officers and employees referred to in subsections (b) and (c) are—

(1) each officer or employe of the legislative branch who is compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16 of the General Schedule; and

(2) at least one prinicpal assistant designated for purposes of this section by each Member who does not have an employee compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16 of the General Schedule.

For the purposes of this title, the legislative branch includes the Architect of the Capitol, the Botanic Gardens, the Congressional Budget Office, the Cost Accounting Standards Board, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of the Attending Physician, National Commission on Air Quality, and the Office of Technology Assessment.

(f) Reasonable extensions of time for filing any report may be granted by the designated committee of the Senate with respect to those filing with the Secretary and by the designated committee of the House of Representatives with respect to those filing with the Clerk but in no event may the extension granted to a Member or candidate result in a required report being filed later than seven days prior to an election involving the Member or candidate. If the day on which a report is required to be filed falls on a weekend or holiday, the report may be filed on the next business day.

(g) Notwithstanding the dates specified in subsection (d) of this section, an individual who is a candidate in calendar year 1978 shall file the report required by such subsection not later than November 1, 1978, except that a candidate for the Senate who has filed a report as of such date pursuant to the rules of the Senate need not file the report required by section (d) of this section.

(h) The designated committee of the House of Representatives, or the designated committee of the Senate, as the case may be, may grant a publicly available request for a waiver of any reporting requirement under this section for an individual who is expected to perform or has performed the duties of his office or position for less than one hundred and thirty days in a calendar year, but only if such committee determines that—

(1) such individual is not a full-time employee of the Government,

(2) such individual is able to provide services specially needed by the Government,

(3) it is likely that the individual's outside employment or financial interests will create a conflict of interest, and

(4) public financial disclosure by such individual is not necessary in the circumstances.

CONTENTS OF REPORTS

SEC. 102. (a) Each report filed pursuant to subsections (a) and (b) of section 101 shall include a full and complete statement with respect to the following:

(1)(A) The source, type, and amount of value of income (other than income referred to in subparagraph (B) from any source (other than from current employment by the United States Government), and the source, date, and amount of honoraria from any source, received during the preceding calendar year, aggregating $100 or more in value.

(B) The source and type of income which consists of dividends, interest, rent, and capital gains, received during the preceding calendar year which exceeds $100 in amount or value, and an indication of which of the following categories the amount or value of such item of income is within:

(i) not more than $1,000,
(ii) greater than $1,000 but not more than $2,500,
(iii) greater than $2,500 but not more than $5,000,
(iv) greater than $5,000 but not more than $15,000,
(v) greater than $15,000 but not more than $50,000,
(vi) greater than $50,000 but not more than $100,000, or
(vii) greater than $100,000.

(2)(A) The identity of the source and a brief description of any gifts of transportation, lodging, food, or entertainment aggregating $250 or more in value received from any source other than a relative of the reporting individual during the preceding calendar year, except that any food, lodging, or entertainment received as personal hospitality of any individual need not be reported, and any gift with a fair market value of $35 or less need not be aggregated for purposes of this subparagraph.

(B) The identity of the source, a brief description, and the value of all gifts other than transportation, lodging, food, or entertainment aggregating $100 or more in value received from any source other than a relative of the reporting individual during the preceding calendar year, except that any gift with a fair market value of $35 or less need not be aggregated for purposes of this subparagraph.

(C) The identity of the source and a brief description or reimbursements received from any source aggregating $250 or more in value and received during the preceding calendar year.

(D) In an unusual case, a gift need not be aggregated under subparagraph (A) or (B) if a publicly available request for a waiver is granted.

(3) The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which has a fair market value which exceeds $1,000 as of the close of the preceding calendar year, excluding any personal liability owed to the reporting individual by a relative or any deposits aggregating $5,000 or less in a personal savings account. For purposes of this paragraph, a personal savings account shall include any certificate of deposit or any other form of deposit in a bank, savings and loan association, credit union, or similar financial institution.

(4) The identity and category of value of the total liabilities owed to any creditor other than a relative which exceed $10,000 at any time during the preceding calendar year, excluding—

(A) any mortgage secured by real property which is a personal residence of the reporting individual or his spouse;

(B) any loan secured by a personal motor vehicle, household furniture, or appliances, which loan does not exceed the purchase price of the item which secures it.

With respect to revolving charge accounts, only those with an outstanding liability which exceeds $10,000 as of the close of the preceding calendar year need be reported under this paragraph.

(5) Except as provided in this paragraph, a brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeds $1,000—

(A) in real property, other than property used solely as a personal residence of the reporting individual or his spouse; or

(B) in stocks, bonds, commodities futures, and other forms of securities.

Reporting is not required under this paragraph of any transaction solely by and between the reporting individual, his spouse, or dependent children.

(6) The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee or consultant of any corporation, company, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States. This paragraph shall not require the reporting of positions held in any religious, social, fraternal, or political entity and positions solely of an honorary nature.

(7) A description of the date, parties to, and terms of any agreement or arrangement with respect to (A) future employment; (B) a leave of absence during the period of the reporting individual's Government service; (C) continuation of payments by a former employer other than the United States Government; and (D) continuing participation in an employee welfare or benefit plan maintained by a former employer.

(b) Each report filed pursuant to subsections (c) and (d) of section 101 shall include a full and complete statement with respect to the information required by—

(1) paragraph (1) of subsection (a) for the year of filing and the preceding calendar year,

(2) paragraphs (3) and (4) of subsection (a) as of the date specified in the report but which is less than thirty-one days before the filing date, and

(3) paragraph (6) and, in the case of reports filed under section 101(c), paragraph (7) of subsection (a) as of the filing date but for periods described in such paragraphs.

(c)(1) The categories for reporting the amount of value or the items covered in paragraphs (3), (4) and (5) of subsection (a) are as follows:

(A) not more than $5,000;
(B) greater than $5,000 but not more than $15,000;
(C) greater than $15,000 but not more than $50,000;
(D) greater than $50,000 but not more than $100,000;
(E) greater than $100,000 but not more than $250,000; and
(F) greater than $250,000.

(2) For the purposes of paragraph (3) of subsection (a) if the current value of an interest in real property (or an interest in a real estate partnership) is not ascertainable without an appraisal, an individual may list (A) the date of purchase and the purchase price of the interest in the real property, or (B) the assessed value of the real property for tax purposes, adjusted to reflect the market value of the property used for the assessment if the assessed value is computed at less than 100 percent of such market value, but such individual shall include in his report a full and complete description of the method used to determine such assessed value, instead of specifying a category of value pursuant to paragraph (1) of this subsection. If the current value of any other item required to be reported under paragraph (3) of subsection (a) is not ascertainable without an appraisal, such individual may list the book value of a corporation whose stock is not publicly traded, the net worth of a business partnership, the equity value of an individually owned business, or with respect to other holdings, any recognized indication of value, but such individual shall include in his report a full and complete description of the method used in determining such value. In lieu of any value referred to in the preceding sentence, an individual may list the assessed value of the item for tax purposes, adjusted to reflect the market value of the item used for the assessment if the assessed value is computed at less than 100 percent of such market value, but a full and complete description of the method used in determining such assessed value shall be included in the report.

(d)(1) Except as provided in the last sentence of this paragraph, each report shall also contain information listed in paragraphs (1) through (5) of subsection (a) respecting the spouse or dependent child of the reporting individuals as follows:

(A) The source of items of earned income earned by a spouse from any person which exceed $1,000 and, with respect to a spouse or dependent child, all information required to be reported in subsection (a)(1)(B) with respect to income derived from any asset held by the spouse or dependent child and reported pursuant to paragraph (3). With respect to earned income, if the spouse is self-employed in business or a profession, only the nature of such business or profession need be reported.

(B) In the case of any gifts received by a spouse which are not received totally independent of the spouse's relationship to the reporting individual, the identity of the source and a brief description of gifts of transportation, lodging, food, or entertainment and a brief description and the value of other gifts.

(C) In the case of any reimbursements received by a spouse which are not received totally independent of the spouse's relationship to the reporting individual, the identity of the source and a brief description of each such reimbursement.

(D) In the case of items described in paragraphs (3) through (5), all information required to be reported under these paragraphs other than items (i) which the reporting individual certifies represent the spouse's or dependent child's sole financial interest or responsibility and which the reporting individual has no knowledge of, (ii) which are not in any way, past or present, derived from the income, assets, or activities of the reporting individual, and (iii) from which the reporting individual neither derives, nor expects to derive, any financial or economic benefit.

Each report referred to in subsection (b) of this section shall, with respect to the spouse and dependent child of the reporting individual, only contain information listed in paragraphs (1), (3), and (4) of subsection (a), as specified in this paragraph.

(2) No report shall be required with respect to a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation; or with respect to any income or obligations of an individual arising from the dissolution of his marriage or the permanent separation from his spouse.

(e)(1) Except as provided in paragraph (2), each reporting individual shall report the information required to be reported pursuant to subsections (a) and (b) of this section with respect to the holdings of and the income from a trust or other financial arrangement from which income is received by, or with respect to which a beneficial interest in principal or income is held by, such individual, his spouse, or any dependent child.

(2) A reporting individual need not report the holdings of or the source of income from any of the holdings of—

(A) any qualified blind trust (as defined in paragraph (3)); or

(B) a trust—

(i) which was not created directly by such individual, his spouse, or any dependent child, and

(ii) the holdings or sources of income of which such individual, his spouse, and any dependent child have no knowledge of,

but such individual shall report the category of the amount of income received by him, his spouse, or any dependent child from the trust under subsection (a)(1)(B) of this section.

(3) For purposes of this subsection, the term "qualified blind trust" includes any trust in which a reporting individual, his spouse, or any dependent child has a beneficial interest in the principal or income, and which meets the following requirements:

(A) The trustee of the trust is a financial institution, an attorney, a certified public accountant, a broker, or an investment adviser, who (in the case of a financial institution or investment company, any officer or employee involved in the management or control of the trust who)—

(i) is independent of and unassociated with any interested party so that the trustee cannot be controlled or influenced in the administration of the trust by any interested party,

(ii) is not or has not been an employee of any interested party, or any organization affiliated with any interested party and is not a partner of, or involved in any joint venture or other investment with, any interested party, and

(iii) is not a relative of any interested party.

(B) Any asset transferred to the trust by an interested party is free of any restriction with respect to its transfer or sale unless such restriction is expressly approved by the supervising ethics office of the reporting individual.

(C) The trust instrument which establishes the trust provides that—

(i) except to the extent provided in subparagraph (B) of this paragraph, the trustee in the exercise of his authority and discretion to manage and control the assets of the trust shall not consult or notify any interested party;

(ii) the trust shall not contain any asset the holding of which by an interested party is prohibited by any law or regulation;

(iii) the trustee shall promptly notify the reporting individual and his supervising ethics office when the holdings of any particular asset transferred to the trust by any interested party are disposed of or when the value of such holding is less than $1,000;

(iv) the trust tax return shall be prepared by the trustee or his designee, and such return and any information relating thereto (other than the trust income summarized in appropriate categories necessary to complete an interested party's tax return), shall not be disclosed to any interested party;

(v) an interested party shall not receive any report on the holdings and sources of income of the trust, except a report at the end of each calendar quarter with respect to the total cash value of the interest of the interested party in the trust or the net income or loss of the trust or any reports necessary to enable the interested party to complete an individual tax return required by law or to provide the information required by subsection (a)(1)(B) of this section but such report shall not identify any asset or holding;

(vi) except for communications which solely consist of requests for distributions of cash or other unspecified assets of the trust, there shall be no direct or indirect communication between the trustee and an interested party with respect to the trust unless such communication is in writing and unless it relates only (I) to the general financial interest and needs of the interested party (including, but not limited to, an interest in maximizing income or long-term capital gain), (II) to the notification of the trustee of a law or regulation subsequently applicable to the reporting individual which prohibits the interested party from holding an asset, which notification directs that the asset not be held by the trust, or (III) to directions to the trustee to sell all of an asset initially placed in the trust by an interested party which in the determination of the reporting individual creates a conflict of interest or the appearance thereof due to the subsequent assumption of duties by the reporting individual (but nothing herein shall require any such direction); and

(vii) the interested parties shall make no effort to obtain information with respect to the holdings of the trust, including obtaining a copy of any trust tax return filed or any information relating thereto except as otherwise provided in this subsection.

(d) The proposed trust instrument and the proposed trustee is approved by the reporting individual's supervising ethics office.

For purposes of this subsection "interested party" means a reporting individual, his spouse, and any dependent child if the reporting individual, his spouse, or dependent child has a beneficial interest in the principal or income of a qualified blind trust; "broker" has the meaning set forth in section 3(a)(4) of the Securities and Exchange Act of 1934 (15 U.S.C. 78c(a)(4)); "investment adviser" includes any investment adviser who, as determined under regulations prescribed by the supervising ethics office, is generally involved in his role as such an adviser in the management or control of trusts; and "supervising ethics office" means the designated committee of the House of Representatives for those who file the reports required by this title with the Clerk and the designated committee of the Senate for those who file the reports required by this title with the Secretary.

(4) An asset placed in a trust by an interested party shall be considered a financial interest of the reporting individual for the purposes of section 208 of title 18, United States Code, and any other conflict of interest statutes or regulations of the Federal Government, until such time as the reporting individual is notified by the trustee that such asset has been disposed of, or has a value of less than $1,000.

(5)(A) The reporting individual shall, within thirty days after a qualified blind trust is approved by his supervising ethics office, file with such office a copy of—

(i) the executed trust instrument of such trust (other than those provisions which relate to the testimentary dispostion of the trust assets), and

(ii) a list of the assets which were transferred to such trust, including the category of value of each asset as determined under subsection (c)(1) of this section.

(B) The reporting individual shall, within thirty days of transferring an asset (other than cash) to a previously established qualified blind trust, notify his supervising ethics office of the identity of each such asset and the category of value of each asset as determined under subsection (c)(1) of this section.

(C) Within thirty days of the dissolution of a qualified blind trust, a reporting individual shall—

(i) notify his supervising ethics office of such dissolution, and

(ii) file with such office a copy of a list of the assets of the trust at the time of such dissolution and the category of value under subsection (c) of this subsection of each such asset.

(D) Documents filed under subparagraphs (A), (B), and (C) of this paragraph and the lists provided by the trustees of assets placed in the trust by an interested party which have been sold shall be made available to the public in the same manner as a report is made available under section 104, and the provisions of that section shall apply with respect to such documents and lists.

(E) A copy of each written communication with respect to the trust under paragraph (3)(C)(vi) shall be filed by the person initiating the communication with the reporting individual's supervising ethics office within five days of the date of the communication.

(6)(A) A trustee of a qualified blind trust shall not knowingly or negligently (i) disclose any information to an interested party with respect to such trust that may not be disclosed under paragraph (3) of this subsection; (ii) acquire any holding the ownership of which is prohibited by the trust instrument; (iii) solicit advice from any interested party with respect to such trust, which solicitation is prohibited by paragraph (3) of this subsection or the trust agreement; or (iv) fail to file any document required by this subsection.

(B) A reporting individual shall not knowingly or negligently (i) solicit or receive any information with respect to a qualified blind trust of which he is an interested party that may not be disclosed under paragraph (3)(C) of this subsection or (ii) fail to file any document required by this subsection.

(C)(i) The Attorney General may bring a civil action in any appropriate United States Court against any individual who knowingly and willfully violates the provisions of subparagraph (A) or (B) of this paragraph. The court in which such action is brought may assess against such individual a civil penalty in any amount not to exceed $5,000.

(ii) The Attorney General may bring a civil action in any appropriate United States District Court against any individual who negligently violates the provisions of subparagraph (A) or (B) of this paragraph. The court in which such action is brought may assess against such individual a civil penalty in any amount not to exceed $1,000.

(7) Any trust which is in existence prior to the date of the enactment of this Act shall be considered a qualified blind trust if—

(A) the supervising ethics office determines that the trust was a good faith effort to establish a blind trust;

(B) the previous trust instrument is amended, or if such trust instrument does not by its terms permit amendment, all parties to the trust instrument, including the reporting individual and the trustee agree in writing that the trust shall be administered in accordance with the requirements of paragraph (3)(C) and a trustee is (or has been) appointed who meets the requirements of paragraph (3); and

(C) a copy of the trust instrument (except testamentary provisions), a list of the assets previously transferred to the trust by an interested party and the category of value of each such asset at the time it was placed in the trust, and a list of assets previously placed in the trust by an interested party which have been sold are filed and made available to the public as provided under paragraph (5) of this subsection.

(f) Political campaign funds, including campaign receipts and expenditures, need not be included in any report filed pursuant to this title.

(g) A report filed pursuant to subsection (a) or (b) of section 101 need not contain the information described in subparagraphs (A), (B), and (C) of subsection (a)(2) with respect to gifts and reimbursements received in a period when the reporting individual was not a Member or an officer or employee of the Federal Government.

FILING OF REPORTS; DUTIES OF CLERK AND SECRETARY

SEC. 103. (a) The reports required by section 101 of Representatives, Delegates to Congress, the Resident Commissioner from Pureto Rico, officers and employees of the House, candidates seeking election to the House, and officers and employees of the Architect of the Capitol, the Botanic Gardens, the Congressional Budget Office, the Government Printing Office, and the Library of Congress shall be filed with the Clerk.

(b) The reports required by section 101 of Senators, officers and employees of the Senate, candidates seeking election to the Senate, and officers and employees of the General Accounting Office, the Cost Accounting Standards Board, the Office of Technology Assessment, National Commission on Air Quality, and the Office of the Attending Physician shall be filed with the Secretary.

(c) A copy of each report filed by a Member or an individual who is a candidate for the office of Member shall be sent by the Clerk or Secretary, as the case may be, to the appropriate State officer as designated in accordance with section 316(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 439(a)) of the State represented by the Member or in which the individual is a candidate, as the case may be, within the seven-day period beginning the day that the report is filed with the Clerk or Secretary.

(d)(1) A copy of each report filed under this title with the Clerk shall be sent by the Clerk to the designated committee of the House of Representatives within the seven-day period beginning the day that the report is filed.

(2) A copy of each report filed with the Secretary shall be sent by the Secretary to the designated committee of the Senate.

(e) In carrying out their responsibilities under this title, the Clerk and the Secretary shall avail themselves of the assistance of the Federal Election Commission. The Commission shall make available to the Clerk and the Secretary on a regular basis a complete list of names and addresses of all candidates registered with the Commission, and shall cooperate and coordinate its candidate information and notification program with the Clerk and the Secretary to the greatest extent possible.

(f) In order to carry out their responsibilities under this title, the designated committee of the House of Representatives, and the designated committee of the Senate, shall develop reporting forms and may promulgate rules and regulations.

ACCESSIBILITY OF REPORTS

SEC. 104. (a) Except as provided in the second sentence of this subsection, within fifteen calendar days after a report is filed with the Clerk under this title the Clerk shall make such report available for public inspection at reasonable hours. With respect to reports required to be filed by May 15 of any year, such reports shall be made available for public inspection within fifteen calendar days after May 15 of such year. A copy of any such report shall be provided by the Clerk to any person upon request.

(b) Except as provided in the second sentence of this subsection, within fifteen days after a report filed with the Secretary under this title, the Secretary shall make such report available for public inspection at reasonable hours. With respect to reports required to be filed by May 15 of any year, such reports shall be made available for public inspection within fifteen calendar days after May 15 of such year. A copy of any such report shall be provided by the Secretary to any person upon request.

(c)(1) Notwithstanding subsections (a) and (b), a report may not be made available under this section to any person nor may any copy thereof be provided under this section to any person except upon a written application by such person stating—

(A) that person's name, occupation, and address;

(B) the name and address of any other person or organization on whose behalf the inspection or copy is requested; and

(C) that such person is aware of the prohibitions on the obtaining or use of the report.

Any such application shall be made available to the public throughout the period during which the report is made available to the public.

(2) Any person requesting a copy of a report may be required to pay a reasonable fee to cover the cost of reproduction or mailing of such report, excluding any salary of any employee involved in such reproduction or mailing. A copy of such report may be furnished without charge or at a reduced charge if it is determined by the Clerk or Secretary that waiver or reduction of the fee is in the public interest because furnishing the information may be considered as primarily benefiting the public.

(d) Any report filed under this title with the Clerk or Secretary shall be available to the public for a period of six years after receipt of the report. After such six-year period the report shall be destroyed unless needed in an ongoing investigation, except that in the case of an individual who filed the report pursuant to section

101(d) and was not subsequently elected, such reports shall be destroyed one year after the individual is no longer a candidate for election to the office of Member unless needed in an ongoing investigation.

(e)(1) It shall be unlawful for any person to obtain or use a report—

(A) for any unlawful purpose;

(B) for any commercial purpose other than by news and communications media for dissemination to the general public;

(C) for determining or establishing the credit rating of any individual; or

(D) for use, directly or indirectly, in the solicitation of money for any political, charitable, or other purpose.

(2) The Attorney General may bring a civil action against any person who obtains or uses a report for any purpose prohibited in paragraph (1). The court in which such action is brought may assess against such person a penalty in any amount not to exceed $5,000. Such remedy shall be in addition to any other remedy available under statutory or common law.

REVIEW AND COMPLIANCE PROCEDURES

SEC. 105. (a) The designated committee of the House of Representatives and the designated committee of the Senate shall establish procedures for the review of reports sent to them under section 103(d)(1) and section 103(d)(2) to determine whether the reports are filed in a timely manner, are complete, and are in proper form. In the event a determination is made that a report is not so filed, the appropriate committee shall so inform the reporting individual and direct him to take all necessary corrective action.

(b) In order to carry out their responsibilities under this title the designated committee of the House of Representatives and the designated committee of the Senate, have power, within their respective jurisdictions, to render any advisory opinion interpreting this title, in writing, to persons covered by this title. Notwithstanding any other provisions of law, the individual to whom a public advisory opinion is rendered in accordance with this subsection, and any other individual covered by this title who is involved in a fact situation which is indistinguishable in all material aspects, and who, after the issuance of the advisory opinion, acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of such act, be subject to any sanction provided in this title.

FAILURE TO FILE OR FALSIFYING REPORTS

SEC. 106. The Attorney General may bring a civil action in any appropriate United States district court against any individual who knowingly and willfully falsifies or who knowingly and willfully fails to file or report any information that such individual is required to report pursuant to section 102. The court in which such action is brought may assess against such individual a civil penalty in any amount not to exceed $5,000. No action may be brought under this section against any individual with respect to a report filed by such individual in calendar year 1978 pursuant to section 101(d).

DEFINITIONS

SEC. 107. For the purposes of this title, the term—

(1) "income" means all income from whatever source derived, including but not limited to the following items: compensation for services, including fees, commissions, and similar items; gross income derived from business (and net income if the individual elects to include it); gains derived from dealings in property; interest; rents; royalties; dividends; annuities; income from life insurance and endowment contracts; pensions; income from discharge of indebtedness; distributive share of partnership income; and income from an interest in an estate or trust;

(2) "relative" means an individual who is related to the reporting individual, as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, or who is the grandfather or grandmother of the spouse of the reporting individual, and shall be deemed to include the fiance or fiancee of the reporting individual;

(3) "gift" means a payment, advance, forbearance, rendering, or deposit of money, or any thing of value, unless consideration of equal or greater value is received by the donor, but does not include—

(A) bequest and other forms of inheritance;

(B) suitable mementos of a function honoring the reporting individual;

(C) food, lodging, transportation, and entertainment provided by State and local governments, or political subdivisions thereof, by a foreign government within a foreign country, or by the United States Government;

(D) food and beverages consumed at banquets, receptions, or similar events;

(E) consumable products provided by home-State businesses to a Member's office for distribution; or

(F) communications to the offices of a reporting individual including subscriptions to newspapers and periodicals;

(4) "honoraria" has the meaning given such term in the Federal Election Campaign Act of 1971;

(5) "value" means a good faith estimate of the dollar value if the exact value is neither known nor easily obtainable by the reporting individual;

(6) "personal hospitality of any individual" means hospitality extended for a nonbusiness purpose by an individual, not a corporation or organization, at the personal residence of that individual or his family or on property or facilities owned by that individual or his family;

(7) "dependent child" means, when used with respect to any reporting individual, any individual who is a son, daughter, stepson, or stepdaughter and who—

(A) is unmarried and under age 21 and is living in the household of such reporting individual; or

(B) is a dependent of such reporting individual within the meaning of section 152 of the Internal Revenue Code of 1954;

(8) "reimbursement" means any payment or other thing of value received by the reporting individual, other than gifts, to cover travel-related expenses of such individual other than those which are—

(A) provided by the United States Government, the District of Columbia, or any State or political subdivision thereof;

(B) required to be reported by the reporting individual under section 7342 of title 5, United States Code; or

(C) required to be reported under section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434);

(9) "candidate" means an individual, other than a Member, who seeks nomination for election, or election, to the Congress whether or not such individual is elected, and for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, (A) if he has taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (B) if he or his principal campaign committee has taken action to register or file campaign reports required by section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a));

(10) "Clerk" means the Clerk of the House of Representatives;

(11) "Secretary" means the Secretary of the Senate;

(12) "Member" means a United States Senator, a Representative in Congress, a Delegate to Congress, or the Resident Commissioner from Puerto Rico;

(13) "election" means (A) a general, special, primary, or runoff election, or (B) a convention or caucus of a political party which has authority to nominate a candidate;

(14) "officer or employee of the House" means any individual, other than a Member, whose compensation is disbursed by the Clerk;

(15) "officer or employee of the Senate" means an individual, other than a Senator or the Vice President, whose compensation is disbursed by the Secretary; and

(16) "designated committee of the House of Representatives" and "designated committee of the Senate" means the committee of the House or Senate, as the case may be, assigned responsibility for administering the reporting requirements of this title.

OTHER LAWS

SEC. 108. The provisions added by this title, and the regulations issued thereunder, shall supersede and preempt any State or local law with respect to financial disclosure by reason of holding the office of Member or candidacy for Federal office or employment by the United States Government.

GENERAL ACCOUNTING OFFICE STUDY

SEC. 109. (a) Before November 30, 1980, and regularly thereafter, the Comptroller General of the United States shall conduct a study to determine whether this title is being carried out effectively and whether timely and accurate reports are being filed by individuals subject to this title.

(b) Within thirty days after completion of the study, the Comptroller General shall transmit a report to each House of Congress containing a detailed statement of his findings and conclusions, together with his recommendations for such legislative and administrative actions as he deems appropriate. The first such study shall include the Comptroller General's findings and recommendations on the feasibility and potential need for a requirement that systematic random audits be conducted of financial disclosure reports filed under this title, including a thorough discussion of the type and nature of audits that might be conducted; the personnel and other costs of audits; the value of an audit to Members, the appropriate House and Senate committees, and the public; and, if conducted whether a governmental or nongovernmental unit should perform the audits, and under whose supervision.

APPENDIX B

Rule XLIV

FINANCIAL DISCLOSURE

1. A copy of each report filed with the Clerk under Title I of the Ethics in Government Act of 1978 shall be sent by the Clerk within the seven-day period beginning the date on which the report is filed to the Committee on Standards of Official Conduct. By July 1 of each year, the Clerk shall compile all such reports sent to him by Members within the period beginning on January 1 and ending on May 15 of each year and have them printed as a House document, which document shall be made available to the public.

2. For the purposes of this rule, the provisions of Title I of the Ethics in Government Act of 1978 shall be deemed to be a rule of the House as it pertains to Members, officers, and employees of the House of Representatives.

APPENDIX C

THE WASHINGTON TIMES Monday, July 16, 1984 (FRONT PAGE)

Hansen says double standard used by Justice Department in his case

By George Archibald
THE WASHINGTON TIMES

Rep. George Hansen, R-Idaho, facing a prison term and a House reprimand for failing to disclose his wife's financial dealings on congressional ethics reports, yesterday accused the Justice Department and Democratic leaders of a double standard for ignoring similar violations by Rep. Geraldine A. Ferraro, D-N.Y.

The New York congresswoman, chosen by Walter Mondale to be his vice presidential running-mate, has not reported — on the congressional ethics reports mandated by law — her husband's assets, liabilities and property transactions even though she served as secretary and treasurer of his real estate development company during her three House terms.

Mrs. Ferraro also owns stock in the multi-million dollar Manhattan firm just across the East River from the borough of Queens that she represents in Congress, The Washington Times reported last week.

"They're trying to make a criminal out of me and a vice president out of her," said Mr. Hansen, a seven-term Republican who was convicted in April of filing incomplete financial disclosure statements with the House.

Mr. Hansen faces up to 15 months in prison and $40,000 in fines because he did not report his wife's silver transactions on the commodities market and a personal loan she received to help cover previous commodities losses. He has appealed the felony conviction, but faces a House reprimand for the verdict when Congress returns from its summer recess.

The Idaho lawmaker, who is fighting an uphill battle for re-election because of damaging publicity about his case, went on the offensive against his critics over the weekend by citing the "identical track record" of Mrs. Ferraro.

Nine years ago, Mr. Hansen was fined $2,000 in a criminal case brought by the Federal Election Commission because he was late in filing a campaign contributions report and reported contributions of $2,150 on the wrong form.

Mrs. Ferraro's campaign committee and her husband, John A. Zaccaro, were jointly fined $750 in a civil settlement with the FEC after Mr. Zaccaro gave $110,000 in illegal loans to her 1978 primary campaign.

The loans, made to help finance Mrs. Ferraro's first successful race for federal office, exceeded the legal li[illegible] $1,000 on contributions fr[illegible] individuals, including family members.

Some of the money was taken from savings accounts of Mrs. Ferraro's minor children, for whom Mr. Zacarro was the trustee, according to FEC documents.

The contributions "were incorrectly attributed to the children rather than John Zacarro or Geraldine Zacarro," since the children did not exclusively own and control the funds or decide voluntarily to make the loans, the FEC ruled.

Mr. Zaccaro was fined $250 for exceeding the legal contribution and the Committee to Elect Geral-

see HANSEN, *page 12A*

HANSEN

From page 1A

dine Ferraro was fined $500 for accepting the loans and for disobeying a federal election requirement to report a $50,000 loan within 48 hours.

The committee's lawyer informed the FEC on Feb. 9, 1979, that the improper contributions had been fully repaid the previous October, before Mrs. Ferraro's general election victory to the House seat she still holds. Mrs. Ferraro either sold or transferred some property to cover her husband's loans, it was reported.

However, an aide to Mrs. Ferraro in Washington told The Times last week that "there may be a residual [of the loans] that has not been retired." Mrs. Ferraro's latest 1984 congressional campaign report, filed this month with the FEC, indicates that the campaign committee has not repaid more than $50,000 of the six-year-old debt.

In a conciliation agreement he signed with the FEC, Mr. Zaccoro acknowledged that his loans exceeded the $1,000 federal contribution limit and pledged not to "undertake any activity" that violated the Federal Election Campaign Act.

"If the commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia," the agreement stated.

Mrs. Ferraro has not disclosed details about her husband's financial situation in her congressional reports, as required by federal ethics statutes, claiming that she meets all three of the government's legal standards for exemption from such disclosures.

Members of Congress are not required to reveal financial information about members of their immediate family if the business activity "is the sole interest or responsibility of the spouse or dependent child and the reporting individual has no knowledge of the item," according to one of the standards.

Also, the information does not have to be disclosed if income or holdings of family members were "not in any way, past or present, derived from the income, assets or activities of the reporting individual," or the lawmaker does not gain or expect to gain financially or economically from the holdings.

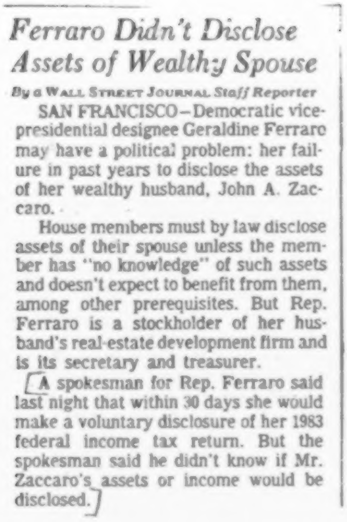
"If I have to report all of this kind of thing, other people in similar situations should," said Mr. Hansen. "Why should they try to send me to jail and send her to the White House? Her case basically parallels the experiences I've had with the federal paperwork establishment," he said.

Mrs. Ferraro's New York office did not respond last week to telephone inquiries from the Times about her FEC case and the financial disclosure matter.

Pam Fleischaker, a press aide, told the Associated Press over the weekend she did not know enough about the 1978 FEC case to compare the two. "This was a very minor violation," she asserted.

"I think people like to scrutinize very hard when someone's running for national office, and they should," she said. "They're not going to find anything on Geraldine Ferraro."

THE WALL STREET JOURNAL Tuesday, July 17, 1984 (P. 56)



Ferraro Didn't Disclose Assets of Wealthy Spouse

By a WALL STREET JOURNAL Staff Reporter

SAN FRANCISCO—Democratic vice-presidential designee Geraldine Ferraro may have a political problem: her failure in past years to disclose the assets of her wealthy husband, John A. Zaccaro.

House members must by law disclose assets of their spouse unless the member has "no knowledge" of such assets and doesn't expect to benefit from them, among other prerequisites. But Rep. Ferraro is a stockholder of her husband's real-estate development firm and is its secretary and treasurer.

[A spokesman for Rep. Ferraro said last night that within 30 days she would make a voluntary disclosure of her 1983 federal income tax return. But the spokesman said he didn't know if Mr. Zaccaro's assets or income would be disclosed.]

*THE NEW YORK TIMES Wednesday, July 18, 1984 (P. A-20)

Rep. Ferraro's Financial Status Starts to Emerge

By RALPH BLUMENTHAL

Representative Geraldine Ferraro listed herself as an officer and stockholder of her husband's real-estate company in her latest financial disclosure to the House of Representatives.

Mrs. Ferraro, who is expected to be confirmed as the Democratic Vice-Presidential nominee tomorrow, reported that she was secretary-treasurer in the company, P. Zaccaro & Company of 218 Lafayette Street in Manhattan. She indicated that her holdings were between $5,001 and $15,000.

The disclosure statement gives a partial picture of Mrs. Ferraro's financial status, which she and her husband have declined to discuss, saying that records will be made public by the Mondale-Ferraro campaign in about two weeks.

Mrs. Ferraro said she expected to have a statement today or tomorrow on her husband's finances and her role in her husband's business. Other details emerged from an examination of New York City housing records and from interviews.

On the disclosure form, Mrs. Ferraro listed other assets of up to $140,000 in savings accounts and bonds and income from savings and securities of between $52,001 and $100,000. But she did not list the assets of her husband, John A. Zaccaro, principal of the real-estate company, which was founded by his father in 1935.

Conditions of Act

It was not immediately clear whether the filing, dated May 8, 1984, for the 1983 Congressional year, met all conditions of the Financial Disclosure Act of 1978.

The act requires members of Congress to list the holdings and liabilities of their spouses and dependent children. But they do not have to list items that are in blind trusts or that meet three other conditions, according to Mark Elam, counsel to the House Ethics Committee. The conditions are these:

¶The item must belong solely to the spouse or child, and the member of Congress must have no knowledge of it.

¶The item must not have been in any way derived from the income, assets or activities of the member of Congress.

¶The member of Congress must neither derive nor expect to derive any economic benefit from the item.

Mrs. Ferraro, on the reporting form, checked off a box affirming that she was aware of "interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child" that she was not reporting because they met these conditions.

It was not clear how Mrs. Ferraro could be an officer and stockholder of her husband's company without deriving or expecting to derive any economic benefit from his assets.

Disclosure Is Expected

Officials of the Mondale-Ferraro campaign declined to discuss the matter. Michael Berman, director of the Democratic National Committee, and Scott Widmeyer, Mrs. Ferraro's press secretary, both said the campaign expected to disclose the candidate's financial holdings in "a couple" of weeks.

Mr. Zaccaro also has declined to respond to questions about his business or personal history. Calls to his office were referred to Mr. Widmeyer. Messages left last week at the Zaccaro home in Forest Hills went unanswered.

Mr. Zaccaro was born on April 5, 1933. He attended the Rhodes School in Manhattan and Iona College in New Rochelle, from which he received a bachelor's degree in business administration in 1955. He and Geraldine Ferraro were married on July 16, 1960.

The real-estate company was incorporated by Mr. Zaccaro's father, Philip, at 192 Bowery, on Aug. 8, 1935. When John Zaccaro took it over is not clear, but he has said that he was a "flop" in the beginning.

He also said that after his wife won election from the 9th Congressional District in Queens in 1978, he stopped doing business there and concentrated on lower Manhattan.

Extent of Zaccaro Holdings

Mr. Zaccaro is listed as owning or managing at least 21 residential and commercial properties in Manhattan. The city's Department of Housing Preservation and Development says its records show 20 properties, with 347 living units, owned or managed by Mr. Zaccaro.

Charles Perkins, assistant commissioner, said a check of the records showed 108 building code violations, some dating back several months. Most of the violations were in the minor A and B categories, involving such things as failure to file certain paperwork, he said. But several, he said, involved more serious C category violations. No charges were brought or fines exacted, Mr. Perkins said.

"We're not troubled by his record," he said. "If every landlord in the city had the record of John Zaccaro, we would have little to do."

Mr. Zaccaro owns some properties and manages some on behalf of other owners.

'Best Landlord I Ever Had'

Several tenants interviewed said they were pleased with Mr. Zaccaro. "Best landlord I ever had in New York," said Philip Koenig, a photographer, who with his wife, a designer, occupies an apartment and studio at 49 Market Street.

But tenants in a Tudor City building managed by the Zaccaro company since last October spoke bitterly of conditions there. They said that many of their complaints predated Mr. Zaccaro's management but that some conditions have worsened in the last nine months.

William J. Merrins, an 81-year-old tenant in the building, at 330 East 43d Street, displayed a large hole in his bathroom wall and said he had been unable to use the tub or shower since April 24.

Another tenant, Rita Frost, showed ceilings and walls crumbing from hidden leaks and said she had made dozens of calls, unavailingly, to the Zaccaro company.

Several tenants they had withheld some rent as a protest.

Quarters From the Washers

Donald Andrews, a real-estate broker himself who heads a tenants' group, said half the apartments in the 62-unit Tudor City building are unoccupied and that conditions were continuing to deteriorate while the owner, John DeLorenzo, a New York City real-estate developer, tried to find a buyer. Mr. Andrews said Mr. Zaccaro made a rare visit to the building about two weeks ago and emptied the quarters from the basement laundry machines.

Max Isaacs, an executive of the Zaccaro company, declined to answer any questions about the complaints. He referred inquiries to the Mondale-Ferraro campaign.

Though city housing records list 20 properties owned or managed by Mr. Zaccaro, Mr. Perkins, the city official said Mr. Zaccaro's office said it no longer owned four of them.

The properties were listed by the city as:

306 Broome Street; 330 East 43d Street; 22 East 89th Street; 16 East 92d Street; 16 East [illegible] Street; 3 Horatio Street; 187, 241 and 246 Mulberry Street; 330 West 4th Street; 25 and 34 West 12th Street; 201 Worth Street; 30 Burns Street; 21 Cleveland Place, and 68 Mott Street.

Also listed by the city were 587 and 589 First Avenue; 85 Kenmare Street; and 230 Sullivan Street; these are the properties that were said to have been sold.

Listings in Other Records

In addition, other real-estate industry records list Mr. Zaccaro as a principal in properties at 218 Lafayette Street, which is his office; 124-26 Bowery; 49 Market Street; 1-3 Mott Street, and 68-70 Spring Street.

After the Mrs. Ferraro's 1978 election to Congress, the Federal Election Commission ruled that the campaign had improperly received $110,000 from Mr. Zaccaro, who was barred by law from giving more than $1,000. He said he had been misinformed by an attorney and later paid a [illegible] fine.

Mrs. Ferraro reported to the commission that to pay back the improper contribution, she sold her half interest in a mortgage on two properties, including 124-26 Bowery.

THE WASHINGTON POST Wednesday, July 25, 1984 (FRONT PAGE)

Husband's Finances Excluded

Ferraro Says Ethics Reports Sound

By Charles R. Babcock
Washington Post Staff Writer

Rep. Geraldine A. Ferraro (D-N.Y.) said yesterday that she didn't violate House rules when she omitted the financial holdings of her husband, New York real estate executive John A. Zaccaro, from her annual financial disclosure statements. But she promised to make a full disclosure of both his and her holdings and tax returns within three weeks.

House rules require members to disclose the holdings of their spouses unless they have no knowledge of, and derive no benefit from, the spouse's assets.

Questions have been raised about Ferraro's annual House statements because she lists herself as a shareholder and secretary/treasurer of her husband's real estate management firm, P. Zaccaro Co. Inc.

In a statement issued by her office as her first formal comment on the issue, Ferraro, the Democratic nominee for vice president, said, "My financial disclosure forms for 1979 through 1984 complied with what is required of members of Congress who have spouses with separate financial holdings."

Instructions for members prepared by the House Committee on Standards of Official Conduct (ethics) says the benefit test "should be interpreted very broadly" and that the member must be able to say he or she "neither derives, nor expects to derive, any financial or economic benefit from the item."

The member would benefit if income from the spouse's holdings were used for vacations, education of children or maintaining a home, the booklet added.

See FINANCES, A4, Col. 1

Ferraro Calls Ethics Reports Sound

FINANCES, From A1

Ferraro was not available yesterday to answer questions about the statement. But a Mondale-Ferraro campaign attorney said that Ferraro and her husband filed separate tax returns and that the "benefit" rule "has to be read with common sense or it is an exemption that applies to no one."

The attorney said Ferraro's accountant was told by the ethics committee staff that her husband met the exemption standard when she entered Congress in 1979, but didn't get the opinion in writing. The attorney did not rule out the possibility that Ferraro might amend her disclosure statments to add Zaccaro's holdings.

Rep. George Hansen (R-Idaho) has pointed out that he was recently convicted of making false statements for willfully failing to disclose his wife's holdings on his House statements.

In her statement yesterday, Ferraro said that she will disclose her husband's holdings in a financial statement she is required to file with the Federal Election Commission within 30 days of being nominated.

She will do so, she said, because "my husband and I believe it is in the public interest to do so and because the office of vice president is one of high public trust. My husband and I agree that any exemption from disclosure for him which might otherwise be available is outweighed by my nomination and its responsibilities."

She added that the FEC disclosure will also include his and her tax returns "for the past several years."

Ferraro's running mate, Walter F. Mondale, released a copy of his tax return last year. President Reagan has released his annually since entering the White House. Vice President Bush's taxes are done by the trustee of his blind trust, so he doesn't have a copy of his tax return to release, according to spokeman Shirley Green.

APPENDIX D

BEFORE THE
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT
OF THE
UNITED STATES HOUSE OF REPRESENTATIVES

IN THE MATTER OF A
COMPLAINT BY THE WASHINGTON LEGAL FOUNDATION
AGAINST REPRESENTATIVE GERALDINE A. FERRARO

COMPLAINT

Pursuant to Clause 4(e)(2)(B) of Rule X of the House of Representatives, and Rule 9 of the rules of the Committee on Standards of Official Conduct (Committee), the Washington Legal Foundation (WLF or Complainant), hereby submits this complaint and exhibits thereto against Congresswoman Geraldine A. Ferraro and requests an immediate investigation of the matters alleged herein and related matters that may be incurred during the course of the Committee's investigation. In particular, we request the Committee to investigate possible falsification, misrepresentations, and omissions made by Congresswoman Ferraro in her financial disclosure reports filed for the years 1978-1983 with respect to her holdings as well as those of her husband and children.

We request that this complaint be considered at the Committee's next regularly scheduled meeting of August 8, 1984 pursuant to Rule 3(a) of the Committee's rules or as soon as possible thereafter.

The Foundation is a nonprofit public interest law firm with 85,000 members nationwide, and has represented over 100 U.S. Senators and Congressmen, both Democrats and Republicans, in various legal matters in the courts and agencies. We further request that WLF and its attorneys be permitted to attend any such meetings of the Committee as may be permitted by the rules or by past practice.[*]

It is imperative that this Committee act promptly to investigate these irregularities. The fact that Congresswoman Ferraro has indicated that she will disclose additional financial information as a candidate for Vice President should in no way delay the Committee's proceedings. Any such information will not excuse any omissions she has made in her 1978-1983 disclosure reports. The financial information required by the Ethics in Government Act to be filed by her as a Vice Presidential candidate is precisely the identical information which she is required to disclose as a Congresswoman, the only difference being the place of filing, i.e., the Federal Election Commission.

In support of this complaint, we make the following allegations with supporting evidence attached hereto.

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[*] Upon a complaint filed by Common Cause in 1976 against Congressman Robert L.F. Sikes for his alleged failure to disclose certain holdings, this Committee permitted Common Cause and its counsel to attend an executive session of the Commttee with Congressman Sikes and his counsel. See "In the Matter Of A Complaint Against Representative Robert L.F. Sikes," Report by the Comm. on Standards of Official Conduct, House Report No. 94-1364 at 2.

ALLEGATIONS

I. CONGRESSWOMAN FERRARO HAS FAILED TO DISCLOSE HER HUSBAND'S FINANCIAL HOLDINGS AS REQUIRED BY THE ETHICS IN GOVERNMENT ACT

For the years 1978-1983, Congresswoman Ferraro has failed to disclose the financial holdings of her husband certifying that she is exempted from doing so under the Ethics in Government Act (See Exhibit A). Improperly certifying the exemption subjects the reporting individual to civil as well as criminal penalties under 18 U.S.C. Sec. 1001.

In order to be exempted from such disclosure, Ferraro must meet all three criteria under 2 U.S.C. Sec. 702(d)(1)(D) relating to holdings:

> (i) which the reporting individual certifies represent the spouse or dependent child's sole financial interest or responsibility and which the reporting individual has no knowledge of;
>
> (ii) which are not in any way, past or present, derived from the income, assets, or activities of the reporting individual; and
>
> (iii) from which the reporting individual neither derives, nor expects to derive, any financial or economic benefit.

These three criteria are further listed and described in the instructions that are attached to the disclosure forms. It is clearly understood that this exemption is to be rarely used and that the application of the three criteria should be broadly interpreted to prevent nondisclosure. The instructions make this point clear when it states:

> "In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in certain limited circumstances, the truly independent financial interests of a spouse or dependent would be exempt from disclosure." (Emphasis added)

It is clear that the law as written and as applied by the House of Representatives, would interpret any spousal exemption very narrowly. Indeed, it is complainant's understanding that over 95 percent of the Members of Congress do not claim the exemption and disclose the financial holdings of their spouse and dependent children.

Complainant alleges that Congresswoman Ferraro does not meet one or more of the criteria which would qualify her to claim exemption to disclose her husband's assets. Failure to meet any one of the three criteria disqualifies her exemption.

A. Congresswoman Ferraro Appears To Have Some Knowledge of Her Husband's Holdings and Therefore She Fails the "No Knowledge" Criteria For the Exemption

It is complainant's contention that Congresswoman Ferraro does not meet the "no knowledge" criteria and therefore must disclose her husband's financial holdings. The principal support for complainant's contention is the fact that Congresswoman Ferraro has indicated in her disclosure forms filed from 1978 to 1983 that she has a close financial and fiduciary relationship with her husband's company, the P. Zaccaro Company. In her first disclosure report filed on May 15, 1979 for the prior calendar year 1978, Congresswoman Ferraro listed herself as an "Officer" of the P. Zacarro & Son Company. In her second report filed in 1979, she listed herself as "Secretary and Director" of her husband's company; 1980 as "Secretary and Director"; and for 1981-1983 as "Secretary and Treasurer." In addition, she listed in all six annual disclosure reports that she owns one share of stock in her husband's company valued between $5-$15,000.[*]

As a shareholder, officer, director, secretary and especially treasurer, of a closely-held business corporation, it strains credulity for Congresswoman Ferraro to certify that she has "no knowledge" at all of her husband's financial holdings or interests. Indeed, many news articles and editorials describing Congresswoman Ferraro's failure to disclose her husband's financial holdings have similarly expressed grave doubts about the legitimacy of her claim that she has "no knowledge" of her husband's holdings. See Exhibit B. Many members of the public have also expressed justified skepticism about the legitimacy of her exemption to report her husband's holdings. It is accordingly in the public interest that this Committee investigate this matter promptly. It is inconceivable that as a director and treasurer of a corporation, Ferraro has "no knowledge" of the financial dealings of that corporation, unless she has abandoned all obligations of a treasurer or director under New York corporation law.

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[*] Ferraro obviously had enough knowledge of her husband's company to place a monetary value on her share of stock in the company.

There is additional evidence to indicate that Congresswoman Ferraro has some knowledge of her husband's assets. In 1978 when she first ran for Congress, it is a matter of public record that her committee improperly received $134,000 from her husband's funds as well as from her children's trust accounts. Part of this loan included a loan on May 10, 1978 in the sum of $25,000. As collateral for the loan, Mr. Zaccaro pledged a joint account at the East River Savings Bank in New York, Account No. 3002820. Although it is not known how much money was or is in that account, Mr. Zaccaro testified in an affidavit, dated February 9, 1979, submitted to the Federal Election Commission under oath that the account was opened in 1971 and contained funds contributed by both himself as well as from his wife Geraldine Ferraro. See Zaccaro Affidavit, Exhibit C.

On September 15, 1978, proceeds from that account in the amount of $25,000, plus interest, was paid back to the East River Savings Bank as payment for the original loan on May 10 of $25,000. The existence of this joint account, in and of itself, indicates that it is not the "sole financial interest" of her husband, and that she cannot claim "no knowledge" of that account. As noted below with respect to her children's trust accounts, her husband also testified that the funds deposited therein were funds from both himself and his wife. As part of its investigation, this Committee should determine what other joint accounts are maintained by Congresswoman Ferraro and her husband and dependents.

Besides her role as an officer, director, treasurer and shareholder of her husband's company, she also had some knowledge of her husband's company by the fact that she apparently maintained her law offices at her husband's company in 1978, and maintained her campaign's headquarters there as well from 1978 until 1984. The address listed on her legal stationery as well as the address listed for her campaign for every election since 1978 has been "218 Lafayette Street, New York, New York 10012." (Exhibit D). That address is the same address as her husband's company. Indeed, not only is she the treasurer of her husband's corporation, Mr. Zaccaro was the treasurer of his wife's congressional campaign since September 1982 and has signed all of his wife's FEC disclosure reports as treasurer since that time through 1984. See Exhibit D.

There is probable cause to believe that Congresswoman Ferraro does not meet the "no knowledge" criteria which must be read narrowly, and therefore, an investigation is warranted.[*]

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[*] There is also cause to believe that her campaign has received illegal in-kind corporate contributions from her husband's corporation violation of the election laws. There are many apparent violations of the election laws which WLF will bring to the attention of the Federal Election Commission.

In response to criticism of her failure to disclose her husband's assets and holdings, Congresswoman Ferraro has stated that she will make public certain financial information when she files her disclosure form as candidate for the Vice Presidency with the Federal Election Commission. She claims that she believes this information should be forthcoming as a matter of "the public interest." WLF wishes to note, however, that the information required to be disclosed by Congresswoman Ferraro as a vice presidential candidate with the Federal Election Commission is exactly the same information that she is required to disclose with the Congress under the Ethics in Government Act. The same law requires Members of Congress and candidates for President and Vice President to disclose exactly the same information. The only difference in the law is that candidates for President or Vice President file their forms with the Federal Election Commission. Consequently, it is not merely "in the public interest" that requires Ms. Ferraro to disclose her husband's assets, it is the law.

B. Congresswoman Ferraro Does Not Meet Criteria No. 2 for the Exemption Because Her Husband's Holdings Are Derived From Her Income or Assets

It is also clear that Congresswoman Ferraro failed to meet the second criteria, of Section 702(d)(1)(D), namely that her husband's holdings are "not in any way, past or present, derived from the income, assets, or activities of the reporting individual." Certainly, as a stockholder in her husband's company, Congresswoman Ferraro owns an asset from which her husband derives income. She is, plain and simple, part owner of the company. In addition, it appears that he is also deriving money from the company through the "activities of the reporting individual," namely, her activities as director, secretary, and treasurer of the corporation. Presumably, by carrying out her duties, her husband is able to derive income from the company.

C. Congresswoman Ferraro Does Not Appear To Qualify For Criteria No. 3, the "Benefit" Test

By claiming the exemption on all her disclosure forms, Congresswoman Ferraro further certified that she neither derives nor expects to derive any financial or economic benefit from her husband's holdings. She seems to clearly fail this benefit test inasmuch as she is receiving an economic benefit to the extent that the share of her ownership in her husband's company increases as he produces profits for that company. Furthermore, by having joint savings or other accounts, as she appears to have with her husband, she is deriving economic benefit by the additional interest earned on that account. In addition, she is enjoying the benefits of the three expensive homes that her husband owns himself, or in joint ownership with her, as well as other benefits such as her housekeeper, vacations, and the like. The House manual states that this "benefit" test is to be read broadly.

It is clear from the foregoing that Congresswoman Ferraro does not qualify for the exemption from reporting her husband's financial holdings inasmuch as she fails to meet one or more of the criteria discussed above.

II. Failure to Report Her Dependents' Financial Holdings

While the media has focused on Congresswoman Ferraro's failure to report her spouse's holdings, and justly so, she has also failed to report the financial holdings of her dependent children in her disclosure forms filed since 1978. In order to be exempt from disclosing her children's holdings, she has to meet the same three criteria as discussed above with respect to her spouse. Congresswoman Ferraro fails to meet one or all of the criteria with respect to her children, and therefore she has falsely certified that she is exempt from so reporting.

As indicated above, when she first ran for Congress in 1978, not only did Congresswoman Ferraro illegally receive loans from her husband, she also invaded trust accounts or custodial accounts of her children's college funds to help finance her 1978 race. The amounts involved totalled at least $24,000 from her daughter Donna Zaccaro, Laura Zaccaro, and her son John Zaccaro, Jr. in which she was the custodian. For a breakdown of the amounts, see Exhibit E which is an excerpt of a FEC document in MUR 892.

In her husband's February 9, 1979 affidavit filed with the Federal Election Commission, Mr. Zaccaro identified several other trust or custodial accounts for his children which were invaded by him in order to help fund his wife's political campaign. On page 3 of his affidavit, he identifies Account No. 3-260954-7 as held in the name of "Mr. John Zaccaro Custodian for Donna Zaccaro under the Uniform Gift to Minors Act." He stated that the account was opened in 1974 and "the funds deposited therein were my personal funds or personal funds of my wife." Mr. Zaccaro identifies two other accounts which were custodial accounts for his daughter Laura Zaccaro No. 3-60955-4 and 3-260956-2 both at the East River Savings Bank. He stated that these accounts were opened in 1974 and also all the funds therein were his funds or the personal funds of his wife. In a Washington Post article by Charles Babcock dated July 29, 1984, he quotes an FEC internal memorandum which said that Mrs. Ferraro had called the FEC and told an FEC employee that the loan money had come from a joint account with her husband and from "college funds set up for her children." (Exhibit F.) She said she was trustee of those accounts and said, therefore, she had control of that money. Regardless of whether she was a trustee on all or some of the accounts, several things are indisputable: (1) Congresswoman Ferraro knew about all of these accounts, and (2) by her husband's own affidavit, Mrs. Ferraro contributed to some of these accounts. Accordingly, it appears that Congresswoman Ferraro falsely certified that these accounts were "the sole interest" of her children and that she had "no knowledge" of these accounts.

Congresswoman Ferraro also appears to have falsely certified as she qualifies for criteria No. 2 inasmuch as the savings accounts of her children are in fact derived from the income, assets, or activities of the reporting individual, namely, Congresswoman Ferraro, since she and her husband contributed to those accounts. Finally, she appears not to satisfy criteria No. 3 since she appears to have derived some financial or economic benefit from the savings accounts. Indeed, in her first disclosure form for 1978 she indicated that she received as income from her children's savings in the amount of $100.01 to $1,000. Thus, not only has Congresswoman Ferraro appeared to have falsely certified that she is entitled to the exemption with respect to disclosing her husband's assets, she also has appeared to falsely certify that she is similarly entitled not to report her children's assets.

III. ERRORS, OMISSIONS AND MISREPRESENTATIONS IN CONGRESSWOMAN FERRARO'S DISCLOSURE FORMS FROM 1978 THROUGH 1983.

In addition to failing to disclose her husband's financial holdings and those of her children as required by law, Congresswoman Ferraro also appears to have misreported her own financial activities, as discussed below.

A. Sale of half-interest in property at 231-235 Center Street.

In an attempt to rectify the problem of her campaign committee receiving $134,000 in funds owned or controlled by her husband, including those in which he or she was a custodian for her children's savings, Congresswoman Ferraro sold herhalf-interest in property on Center Street and a half-interest in a mortgage on Bowery Street. As indicated in the Washington Post article of July 29, 1984, Congresswoman Ferraro purchased a building with the Melro Co., a Manny Lerman partnership, for $175,000. Manny Lerman is a business associate of her husband's. She purchased the property on May 1, 1978, a few days before she formally became a candidate for Congress, from Polarob Realty Corp., a "dummy corporation." She then sold the property on or about October 5, 1978 for one-half the valuation of $325,000. Thus, rather than selling the property on the open market, Manny Lerman purchased Geraldine Ferraro's share in the property. He assumed her one-half share of the outstanding mortgage of $125,000 and, in addition, paid her $100,000 cash for her interest. Thus in order to compute her capital gain on that transaction, one would take the $325,000 sale price valuation minus the $175,000 purchase price, for a total of $150,000 gain. If you divide by 2, Congresswoman Ferraro's share is a $75,000 capital gain on the sale of her interest.

However, in her 1978 disclosure form under item B "Income", she lists the capital gain for the sale of the property and places the value of it between $15,000 and $50,000. Clearly, she has under-reported the amount of capital gain she received on the property. The disclosure of her 1978 tax returns which she has indicated she is going to make public along with her and her husband's other returns should clarify the amount of the short-term capital gain realized in this transaction, as well as the amount of tax paid on that gain. Other questions include whether she received any rental income on the property.

B. Sale of Mortgage on 124-126 Bowery St.

Mrs. Ferraro also sold a half an interest in a mortgage at 124-126 Bowery in October 1978 for the sum of $30,000 to help repay the family loans to her campaign. This interest on the mortgage was also purchased by Manny Lerman. However, Mrs. Ferraro does not report receiving any interest income from this mortgage at all during 1978 and it appears that there is either an omission or some other irregularity associated with her ownership in this mortgage.

C. $40,000 Bank Loans and Phantom Savings Account

Having transferred the proceeds from these two properties for the total of $130,000 to her campaign which went to pay campaign expenses and repay her family loans, Congresswoman Ferraro took out personal loans in late October and early December from the First Women's Bank of New York for a total of $15,000 and from the East River Savings Bank for a total of $25,000. This additional $40,000 was lent to her campaign for her 1978 race. However, at the time Mrs. Ferraro received $40,000 in loans from these two banks, she had no interest in any property to serve as collateral according to her 1978 disclosure forms. The question is how could she obtain $40,000 in personal loans from two banks at very favorable interest rates when she apparently lacked collateral and especially where the banks must have known that she was going to use the proceeds of that money for a political campaign? It appears that some form of collateral was used for part of these loans from an examination of her FEC reports.

In her FEC report covering the period from November 28, 1978 to December 31, 1978, Schedule D of that report lists a $25,000 loan from the East River Savings Bank on October 23, 1978 at only a "7 1/2 percent interest (on Passbook)." See Exhibit G. Thus, it appears that this loan may have been secured by her savings account at that bank. Ferraro does list as income in her 1978 disclosure report "interest" on "savings" in the category range of $1,000 - $2,500. In order to generate that kind of interest in a year, the amount of her savings at a normal passbook rate of 5 1/4 percent would be in the $19,000-$48,000 range. However, this is a phantom savings account because it appears nowhere on her 1978 disclosure form as an asset of hers, even though she reports receiving interest on it.

The related question is what did she use as collateral for the second loan for $15,000 she received from the First Women's Bank on December 1, 1978, after her election, for 8 1/2 percent interest? While the answers to these questions might reveal the existence of FEC violations such as illegal bank loans, this inquiry is well within this Committee's jurisdiction to ensure that full disclosure was made under the Ethics Act.

D. Dreyfus Liquid Fund

In her 1982 report, Ferraro reports receiving in addition to interest an additional $1,000 to $2,500 in "Dividends" from an "Investment Fund." It appears that this investment fund must be her shares in the Dreyfus Liquid Fund which she listed on her 1982 report. The Dreyfus Liquid Fund is a money market fund that invests in securities and pays out what normally would be considered interest as dividends instead. However, there appears to be a discrepancy in reporting these dividends or the amount of shares she owns. Ferraro has listed the value of the Dreyfus Fund between $0.00 - $5,000. Giving her the benefit of the doubt by assessing the value of the Fund at the $5,000 maximum, and the dividends at the minimum value of $1,000, and assuming she bought into the Fund on January 1, 1982, that would mean she made a remarkable minimum of a 20 percent rate of return. If the Fund is less than $5,000 and the dividends are more than $1,000, and the holding period less than a year, the rate of return would be greater than 20 percent.

E. Reporting of Honoraria.

This Committee notified Congresswoman Ferraro that she omitted various dates of the speeches that generated the honoraria. Such reporting of dates are required by law and indicate that this Committee does not excuse misreporting no matter how minor it appears to be to some. In response to this Committee's notification, Congresswoman Ferraro supplied the missing information by letter dated May 17, 1983. However, in doing so, she changed the identity of the source of a $500 honoraria from the "Washington Caucus" to "Akin, Gump, Strauss, Hauer & Feld," Robert Strauss's law firm. Which group is the source of this honoraria or was this a second honoraria?

F. Irregularities in Reporting Bond Holdings.

In her 1983 disclosure form, she reports purchasing bonds for $60,000. However, she reports receiving income in the form of interest on these bonds in the $50,000 - $100,000 range. How can she possibly earn $50,000 a year minimum on bonds purchased for only $60,000? This would represent an astronomical rate of return from 80 to 160 percent. Clearly, an investigation into this irregularity is warranted.

It is clear from the discussion in Parts I-III above, there is ample evidence of violations of the Ethics Act's disclosure requirements by Congresswoman Ferraro, and that this Committee has, in the past, investigated similar violations and imposed disciplinary measures. See In The Matter of Representative George v. Hasen, Report of the Comm. on Standards of Official Conduct, Report No. 98-891 (July 19, 1984).

CONCLUSION

There is more than probable cause to believe that Congresswoman Geraldine A. Ferraro has violated the Ethics in Government Act by failing to report her husband's financial holdings, those of her children, and by failing to report accurately her own holdings and transactions. Consequently, the Washington Legal Foundation requests that the Committee immediately investigate the matters described herein, and if found to be true, to recommend to the House of Representatives that Congresswoman Ferraro be reprimanded or other appropriate action. The reputation of the House of Representatives rests upon the earnestness with which the House examines these serious charges when they arise and acts, where warranted, to preserve the integrity of the House and its rules. We request that we be kept informed of the progress of this complaint and reserve the right to amend or supplement this complaint in the future.

Respectfully submitted,

Daniel J. Popeo

DANIEL J. POPEO
General Counsel

Paul D. Kamenar

PAUL D. KAMENAR
Executive Legal Director

AUGUST 6, 1984

WASHINGTON LEGAL FOUNDATION
1705 N Street, N.W.
Washington, D.C. 20036
202-857-0240

VERIFICATION UNDER OATH

Paul D. Kamenar, Executive Legal Director of the Washington Legal Foundation, 1705 N Street, N.W., Washington, D.C. 20036, being first duly sworn, says that he has read the foregoing complaint and knows the contents thereof, and that the same is true to his knowledge and belief.

Paul D. Kamenar

PAUL D. KAMENAR
Executive Legal Director
Washington Legal Foundation

Subscribed and sworn to before me this
7th day of August, 1984.

NOTARY PUBLIC

My Commission Expires August 14, 1985

AFFIDAVIT

I hereby certify that the following Members of Congress have declined in writing to transmit the Washington Legal Foundation's complaint against Congresswoman Geraldine A. Ferraro to the Committee on Standards of Official Conduct.

1. Congressman F. James Sensenbrenner, Jr.
2. Congressman Dan Burton
3. Congressman Philip M. Crane

Paul D. Kamenar
PAUL D. KAMENAR
Executive Legal Director
Washington Legal Foundation

Subscribed and sworn to before me this 7th day of August, 1984.

NOTARY PUBLIC
My Commission Expires August 14, 1985

EXHIBITS A-G TO COMPLAINT BY WASHINGTON LEGAL FOUNDATION AGAINST CONGRESSWOMAN GERALDINE A. FERRARO

HAND DELIVERED

UNITED STATES HOUSE OF REPRESENTATIVES

Office of the Clerk
Washington, D.C.

ETHICS IN GOVERNMENT ACT OF 1978 (2 U.S.C. §§ 701-709)

FINANCIAL DISCLOSURE STATEMENT

Geraldine A. Ferraro
(Full Name)

22 Deepdene Road
(Mailing Address)

Forest Hills, N.Y. 11375

ID # MC
(OFFICE USE ONLY)

☐ Check if this is an amended Statement.

INDIVIDUAL REPORTING STATUS

(Check one only)

☒ MEMBER OF U.S. HOUSE OF REPRESENTATIVES—DISTRICT 9 STATE NY

☐ CURRENT OFFICER/EMPLOYEE/PRINCIPAL ASSISTANT—EMPLOYING OFFICE

☐ NEW OFFICER/EMPLOYEE/PRINCIPAL ASSISTANT—EMPLOYING OFFICE

NOTE: Requirements for new officers/employees/principal assistants differ substantially from those of Members of Congress and current officers/employees/principal assistants. Please read Instructions on reverse side carefully.

May 15, 1979
(Date)

(Signature)

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. See 2 U.S.C. § 706 and 18 U.S.C. § 1001.

RETURN COMPLETED COVER PAGE AND STATEMENT
(WITH 3 COPIES OF EACH) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

ETHICS IN GOVERNMENT ACT OF 1978—FINANCIAL DISCLOSURE STATEMENT

Name of Person Filing Hon. Geraldine A. Ferraro Page 1 of 1

NOTE: See reverse side for Detailed Filing Instructions and Exemptions. If additional space is required, use continuation sheets provided. *Complete all parts. (If None, so indicate)*

SECTION I

A. **INCOME** (including honoraria) from any source received during preceding calendar year aggregating $100 or more in value. Exclude income from current U.S. Government employment.

SOURCE	TYPE (salary, pension, honorarium, etc.)	AMOUNT OR VALUE
Queens District Attorney	Salary 1/1 - 4/1/78	$9,[illegible]
Private Law Practice	Fees	$7,000

B. **INCOME** from dividends, interest, rent, capital gains including trusts or other financial arrangements, received during the preceding calendar year exceeding $100 in value. NOTE: For Section I.B. indicate Category of Value: Category I—$100.01–$1,000; II—$1,000.01–$2,500; III—$2,500.01–$5,000; IV—$5,000.01–$15,000; V—$15,000.01–$50,000; VI—$50,000.01–$100,000; VII—Over $100,000.

SOURCE	TYPE	CATEGORY OF VALUE (I, II, III, IV, V, VI, VII)
Savings	Interest	II
Capital Gain	Sale of Property	V
Savings	Children	I

SECTION II

A. **GIFTS** of transportation, lodging, food or entertainment aggregating $250 or more in value received from any source during the preceding calendar year.

IDENTITY OF SOURCE	BRIEF DESCRIPTION
NONE	

B. **GIFTS** other than transportation, lodging, food or entertainment aggregating $100 or more in value received from any source during preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
NONE		

C. **REIMBURSEMENTS** received from any source aggregating $250 or more in value in preceding calendar year.

IDENTITY OF SOURCE	BRIEF DESCRIPTION
NONE	

NOTE: For Sections III–V below, indicate Category of Value: Category I—$1,000.01–$5,000; II—$5,000.01–$15,000; III—$15,000.01–$50,000; IV—$50,000.01–$100,000; V—$100,000.01–$250,000; VI—Over $250,000.

> IMPORTANT—For new Officers and Employees Only: In Sections III, IV, VI, and VII, the Reporting Individual Should List the Information Required as of Date Not More Than 31 Days Prior to the Date of Filing. The Information Listed Below is Current as of April 14th, 1979

SECTION III

INTEREST IN PROPERTY HELD during preceding year in a trade or business, or for investment or production of income including trusts or other financial arrangements with a fair market value exceeding $1,000 at the close of the preceding calendar year.

IDENTITY	CATEGORY OF VALUE (I, II, III, IV, V, VI)
One-half interest in property 231-235 Centre St., NY, NY	IV
One-half interest in mortgage 124-126 Bowery, NY, NY	III

SECTION IV

LIABILITIES (total) owed to any creditor which exceeds $10,000 at any time in the preceding calendar year and any revolving charge account with an outstanding liability over $10,000 at the close of the calendar year.

IDENTITY	CATEGORY OF VALUE (I, II, III, IV, V, VI)
First Women's Bank New York, N.Y. Personal Loan	II
East River Savings Bank New York, N.Y. Personal Loan	III

SECTION V

PURCHASE, SALE OR EXCHANGE during the preceding calendar year which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY OF VALUE (I, II, III, IV, V, VI)
Sale - Half interest in property 231-235 Centre St.	10/78	IV
Sale - Half interest in mortgage 124-126 Bowery	10/79	III

SECTION VI

POSITION HELD on or before date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any non-profit organization, any labor organization, or educational or other institution other than the United States.

POSITION	ORGANIZATION
Officer	P. Zaccaro & Son Co.

SECTION VII

AGREEMENTS AND ARRANGEMENTS with respect to future employment, leave of absence, during the period of the reporting individual's Government service, continuation of payments by a former employer other than the U.S. Government, and any continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS
NONE		

INSIDE MAIL

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1978

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
Full Name

[illegible] Deepdene Rd.
Mailing Address

Forest Hills, NY 11375

(Office Use Only)

MC

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☐ Member of the U.S. House of Representatives—District ______ State ______

☐ Officer or Employee—Employing Office ______

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during the preceding calendar year. Exclude income from current U.S. Government employment.

SOURCE	TYPE	AMOUNT
American Enterprize Institute	Honorarium	$200.00

B. The source, type, and category of value of income from dividends, interest, rent, and capital gains received from any source during the preceding calendar year which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	C

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of gifts of transportation, lodging, food, or entertainment aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of all other gifts aggregating $100 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of reimbursements aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
None	

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000

III. HOLDINGS

The identity and category of value of any interest in property held during the preceding calendar year in a trade or business or for investment or the production of income, which has a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
East River Savings Bank	C
Ridgewood Savings Bank	D
Common Stock	
1 Share P. Zaccaro Co., Inc.	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeds $10,000 at any time during the preceding calendar year.

IDENTITY	CATEGORY
East River Savings Bank	C
The First Womens Bank	B

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeds $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
None		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Secretary and Director	P. Zaccaro Co., Inc.

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ___

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ___ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (5 U.S.C. 706 and 18 U.S.C. 1001).

Date [illegible] 24-76

INSIDE MAIL

[illegible]

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1980

FORM A—For use by Members, officers, and employees

GERALDINE A FERRARO
(Full Name)

22 DEEPDALE RD.
(Mailing Address)

FOREST HILLS NY.

MC

MAY 5 [illegible]

(Office Use Only)

☐ Check if Amended Statement.

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 9th State NY

☐ Officer or Employee—Employing Office

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during the preceding calendar year. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT
AMERICAN ENTERPRISE INST. FOR PUBLIC POLICY RESEARCH 1/15/80	HONORARIA	200
" " " " 8/20/80	"	200
NATIONAL TOWN MEETING 5/19/80	"	500
QUALITY BANKERS OF AMERICA COOPERATIVE INC. 11/17/80	"	500

B. The source, type, and category of value of income from dividends, interest, rent, and capital gains received from any source during the preceding calendar year which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
INTEREST	SAVINGS	C

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
NONE	

B. The source, a brief description, and value of all *other gifts* aggregating $100 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
NONE		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
NONE	

(OVER)

3 1 0   0 0 0 4 6   6

MAY 1984

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
EAST RIVER SAVINGS BANK	B
RIDGEWOOD SAVINGS BANK	B
POWER HOUSE FEDCR. UNION	C
COMMON STOCK	
1 SH P. ZACCARO Co. INC	D

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during the preceding calendar year.

IDENTITY	CATEGORY
NONE	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
NONE		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
SECRETARY AND DIRECTOR	P. ZACCARO Co. INC.

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	NONE	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ____ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (5 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature

Date May 3, 1984

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APR 30 1982

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1981

FORM A—For use by Members, officers, and employees

GERALDINE A. FERRARO
(Full Name)

22 DEEPDENE RD
(Mailing Address)

FOREST HILLS NY 11375

M

(Office Use Only)

Check the appropriate box and fill in the blanks.

☑ Member of the U.S. House of Representatives—District ____ State ______

☐ Officer or Employee—Employing Office ______

☐ Check if amended Statement.

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1981. Exclude income from current U.S. Government employment. *Do not include here income reported in part I-B below.*

SOURCE	TYPE	AMOUNT
SCHEDULE ATTACHED		1,500

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during calendar year 1981 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
INTEREST	SAVINGS	D

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION
NONE	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION	VALUE
NONE		

C. The source and a brief description of reimbursements aggregating $250 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION
[illegible] UNITY [illegible] ASSOC, INC	RECEIVED [illegible] FOR TRANSPORTATION ETC CONTINUATION [illegible] [illegible] CONFERENCE

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001–$15,000; C—$15,001–$50,000; D—$50,001–$100,000; E—$100,001–$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1981 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
[illegible] NATIONAL BANK	B
[illegible] SAVINGS BANK	E
CONGRESSIONAL CREDIT UNION	F
[illegible] FUND	C
COMMON STOCK	
[illegible] P. ZACCARO & CO. INC	[illegible]

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1981.

IDENTITY	CATEGORY
NONE	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1981 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
NONE		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
SECRETARY & TREASURER	P. ZACCARO CO. INC

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	NONE	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See instructions) YES ✓ NO ___

B. Do you, your spouse, or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See instructions) YES ___ NO ✓

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature

Date 4/29/82

/ /

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

[illegible] D. R. F. [illegible]

Continuation Sheet

[illegible]

	TYPE	AMOUNT
[illegible] ENTERPRISE [illegible] [illegible] ROUND TABLE DISCUSSION FOR AE	HONORARIA	250
WASHINGTON SEMESTER PROGRAM SPEECH TO STUDENTS	"	50
AMERICAN [illegible] ASSOC [illegible] SPEAKING LUNCHEON TO GROUP ON TRANSPORTATION [illegible] EMPLOYEES	"	750
SIOUX VALLEY [illegible] [illegible] [illegible] INC [illegible] TRAVEL TO [illegible] TO TOUR THEIR FACILITIES WITH THEIR REPRESENTATIVES [illegible] TO [illegible]		500
TOTAL		1550

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HAND DELIVERED

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1982

FORM A—For use by Members, officers, and employees

GERALDINE A. FERRARO
(Full Name)

22 DEEPDANE RD
(Mailing Address)

FOREST HILLS N.Y. 11375

Mc
(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☑ Member of the U.S. House of Representatives—District 9th State NY

☐ Officer or Employee—Employing Office

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1982. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT
SCHEDULE ATTACHED		3,310

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during calendar year 1982 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
INTEREST	SAVINGS	B
DIVIDENDS	INVESTMENT FUND	B

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION
NONE	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION	VALUE
NONE		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION
NONE	

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NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1982 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
RIDGEWOOD SAVINGS BANK	A
CITIBANK SAVINGS	A
EAST RIVER SAVINGS	A
FIRST WOMENS BANK	B
CONGRESSIONAL CREDIT UNION	A
DREYFUS LIQUID FUND	A
COMMON STOCK	
(1) SHARE P. ZACCARO CO. INC	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1982.

IDENTITY	CATEGORY
NONE	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1982 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
NONE		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
SECRETARY TREASURER	P. ZACCARO CO. INC

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	NONE	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) [✓ YES] NO

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES [✓ NO]

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature

Date May 7 1982

Page 1 of 1

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

GERALDINE A. FERRARO

Continuation Sheet

Part	Source, Type, Amount, Category, Description or Value (As Applicable)	TYPE	AMOUN
A	BROOKINGS INST SPEECH	HONORARIA	200
	OUTDOOR ADVERTISING ASSOC. OF NY SPEECH	〃	500
	COMMODITY EXCHANGE INC. NEW YORK - SPEECH	〃	1000
	WASHINGTON CAUCUS - SPEECH	〃	500
	CHICAGO MERCANTILE EXCHANGE - TOUR OF EXCHANGE AND SPEECH	〃	1,000
	AMERICAN UNIV. - SEMESTER PROGRAM - SPEECH	〃	60
	NEW YORK UNIVERSITY - SPEECH	〃	50
		TOTAL	3310

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HAND DELIVERED

HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

GERALDINE A. FERRARO
9TH DISTRICT, NEW YORK

May 17, 1983

1983 MAY 18 AM 4: 14
U.S. HOUSE OF REPRESENTATIVES

Benjamin Guthrie
Clerk of the House
H105 The Capitol
Washington, D.C. 20515

MC/

Dear Sir:

I recently received notification from the Committee on Standards of Official Conduct that dates for honoraria received for 1982 were not included in my recently filed disclosure form. I am attaching the information you requested.

I am sorry for any inconvenience this omission may have caused the Committee and/or your office.

Sincerely,

Geraldine A. Ferraro
Member of Congress

H
Enclosure

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HAND DELIVERED

MC✓

Honoraria - 1982

Brookings Institution	200.00	2/11/82
American University, Washington Semester Program	25.00	3/12/82
Outdoor Advertising Assoc. of New York	500.00	3/31/82
Commodity Exchange, Inc., NY	1,000.00	6/28/82
American University, Washington Sem. Program	35.00	8/16/82
New York University	50.00	8/31/82
Chicago Mercantile Exchange & Chicago Board of Trade	1,000.00	11/23/82
Akin, Gump, Strauss, Hauer & Feld	500.00	12/9/82

RECEIVED
OFFICE OF RECORDS & REGISTRATION
1983 MAY 18 AM 4:10
OFFICE OF THE CLERK
U.S. HOUSE OF REPRESENTATIVES

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1983

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
(Full Name)

22 Deepdene Road
(Mailing Address)

Forest Hills, NY 11375

MC
MAY 15 9 34
(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☒ Member of the U.S. House of Representatives—District 9 State N. Y.

☐ Officer or Employee—Employing Office

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1983. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT
Schedule Attached		3,600.

B. The source, type, and category of value of income from dividends, interest, rent, and capital gains received from any source during calendar year 1983 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	A
Dividends	Investment Fund	A
Interest	Bonds	F

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION
Chinese Cultural University	Air fare: New York-Taiwan Taiwan -New York; Food and lodging

(OVER)

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NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1983 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
Ridgewood Savings Bank	A
Congressional Credit Union	A
East River Savings Bank	A
Dreyfus Liquid Fund	A
Dreyfus Reserve Fund	A
Bonds - MAC	C
N.Y.C. G.O.	C
Gloversville	B
Common Stock -	
(1) Sh. P. Zaccaro Co., Inc.	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1983.

IDENTITY	CATEGORY
None	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1983 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
Purchase Bonds - 25M MAC	1/12/83	C
25M N.Y.C. G.O.	1/13/83	C
10M Gloversville	2/9/83	B

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Secretary & Treasurer	P. Zaccaro Co , Inc.

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ___

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ___ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date
	May 8, 1984

Page 1 of 1

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

Geraldine A. Ferraro
Name

Continuation Sheet

Part	Source, Type, Amount Category, Description or Value (As Applicable)	TYPE	AMOUNT
A	Avon Products Co. - Speech	Honoraria	2,000.
	IMPACT - Briefing	"	100.
	New York State Home Economics Assoc. - Speech	"	100.
	American Univ. Washington Semester Program - Speech	"	50.
	Union of American Hebrew Cong. - Speech	"	100.
	Outdoor Advertising Assoc. of America - Speech	"	500.
	Institute of Outdoor Advertising - Speech	"	500.
	Center for Study of Democratic Inst. - Speech	"	50.
	American Enterprises Inst. Congress Project Dinner	"	200.
		TOTAL	3,600.

A20 THE NEW YORK TIMES, THURSDAY, JULY 26, 1984

Rep. Ferraro's Transactions Detailed in Public Records

The following article is based on reporting by Ralph Blumenthal and Jeff Gerth and was written by Mr. Blumenthal.

An examination of public records provides further details about the finances of Representative Geraldine A. Ferraro and her husband, John A. Zaccaro, including several transactions involving Mrs. Ferraro, her husband and his business associates that figured in a 1979 inquiry by the Federal Election Commission.

Michael S. Berman, an aide to Walter F. Mondale, said in an interview this week that he had recently asked lawyers to go over the finances of the Queens Congresswoman and her husband, including the election commission matter, to make more information available.

Since Mr. Mondale, the Democratic Presidential nominee, selected Mrs. Ferraro as his running mate July 12, she, her campaign aides and Mr. Zaccaro have turned away questions about their finances with the explanation that information would be made public in 30 days, as part of a required disclosure by Vice-Presidential candidates.

Mrs. Ferraro, in a statement issued Tuesday in Washington, reiterated that timetable and said the data to be released would include several years of Federal tax returns for herself and her husband, who filed separately.

Matter of 'Public Trust'

Mrs. Ferraro said she planned to include her husband's financial holdings in that disclosure "because my husband and I believe that it is in the public interest to do so and because the office of Vice President is one of high public trust."

However, Representative Ferraro repeated her contention that she was correct not to list her husband's holdings on her annual Congressional financial disclosure forms, which require a listing of all the holdings of the legislator, their spouse and their dependent children, unless exempted. It is not clear whether Mr. Zaccaro's finances fulfilled the conditions for exemption.

Mrs. Ferraro listed herself as secretary and treasurer and as a shareholder of P. Zaccaro & Company, the real estate firm founded by Mr. Zaccaro's father, and thus might be considered to have benefited from her husband's holdings.

Examination of public real estate and other records, meanwhile, has yielded a partial picture of the family's holdings. These include three homes, a vacant parcel of resort land and several corporations and partnerships that own real estate in the Little Italy and Chinatown sections of Manhattan. The Zaccaro company also manages other properties.

Family Role in Campaign

Mr. Zaccaro inherited the company from his father, Philip, who founded it in 1935. When the elder Mr. Zaccaro died in 1971, he left an estate valued at $667,937.42, which came to $307,662.07 after taxes.

Records show that Mr. Zaccaro and his associates played a role in financing Mrs. Ferraro's political career.

In 1978, in Mrs. Ferraro's first race for Congress, her campaign received about $130,000 in money from her family, including $110,000 in loans from her husband. The Federal Election Commission questioned the funds.

According to public records, in the course of the commission's inquiry and subsequent Congressional filings, Mrs. Ferraro, her campaign and her husband gave varying accounts of the source of the loans and the value of the transactions used to pay them back.

Ultimately, it was determined that the majority of the funds had come from loans obtained by Mr. Zaccaro using accounts separate from those of Mrs. Ferraro. Under election law, Mr. Zaccaro could loan or contribute a maximum of $1,000 to his wife's campaign, while the candidate herself was not subject to any limitation.

The election commission's inquiry ended in 1979 when Mr. Zaccaro and the Ferraro campaign agreed to pay a total of $750 in fines for civil violations of the election laws. Mrs. Ferraro's campaign had to refund the family loans with allowable funds. Records show that these funds came from two transactions by Mrs. Ferraro in 1978.

In one transaction, in October 1978, she sold for $100,000 her half interest in property she owned in lower Manhattan. The buyer was the Melro Company, which owned the other half. According to public records, Melro is a family partnership headed by Manny Lerman, a business associate of Mr. Zaccaro's.

Mrs. Ferraro and Melro had acquired the property from a company controlled by Mr. Zaccaro in May 1978, shortly before Mrs. Ferraro declared her Congressional candidacy, according to public records and an attorney for Mr. Zaccaro.

Records show that the Polarob Realty Corporation bought the property for $175,000 on May 1, 1978, then immediately transferred ownership to Mrs. Ferraro and Melro for an undisclosed amount.

Polarob was a "dummy corporation" used by Mr. Zaccaro "to avoid personal liability," according to Murry Kalik, a principal in Polarob who was once a lawyer for Mr. Zaccaro.

Samuel Feldman, an attorney speaking for Mr. Lerman, said Mrs. Ferraro had made a "small capital gain" on the transaction.

On her financial disclosure form for 1978, Mrs. Ferraro valued the capital gain on the sale at $15,001 to $50,000. On the same form, she listed both her interest in the property and the sale's value at $5,001 to $15,000. It was not clear how the gain on the sale could be greater than the value of the sale.

The second transaction that Mrs. Ferraro used to repay her campaign for her husband's loans was the sale for $30,000 of her half interest in a mortgage on another property at 124-26 Bowery, she told the election commission.

On her financial disclosure report for 1978, Mrs. Ferraro valued her interest in the mortgage at $2,501 to $5,000. It was not clear why this valuation varied from the $30,000 value listed with the election commission.

The House financial disclosure forms do not require members to list residences or vacation homes unless the properties are held for investment or income. Accordingly, Mrs. Ferraro did not list her house in Queens, in a section of Forest Hills where brokers say the average house costs around $400,000.

Mrs. Ferraro also did not list a $200,000 condominium in the Candle Reef development on St. Croix in the Virgin Islands and a vacation house, assessed at $195,000, on Neptune Walk in the community of Saltaire on Fire Island.

Late yesterday, P. Zaccaro & Company issued a statement in response to questions about its management of a lower Manhattan building housing a tenant, Star Distributors, that law-enforcement officials have previously described as a distributor of pornography linked to organized crime.

Mr. Zaccaro said he would investigate the use of the space, at 200 Lafayette Street, and that, if necessary, he would take "immediate action" to end the lease.

August 6, 1984
Washington Post Weekly

THE DEMOCRATS

Ferraro's Financial Statements

She says she didn't break the rules by omitting her spouse's holdings

By Charles R. Babcock
Washington Post Staff Writer

Rep. Geraldine A. Ferraro of New York said last week she didn't violate House rules when she omitted the financial holdings of her husband, New York real estate executive John A. Zaccaro, from her annual financial disclosure statements. But she promised to make a full disclosure of both his and her holdings and tax returns within several weeks.

House rules require members to disclose the holdings of their spouses unless they have no knowledge of, and derive no benefit from, the spouse's assets.

Questions have been raised about Ferraro's annual House statements because she lists herself as a shareholder and secretary/treasurer of her husband's real estate management firm, P. Zaccaro Co. Inc.

In a statement issued by her office as her first formal comment on the issue, Ferraro, the Democratic nominee for vice president, said, "My financial disclosure forms for 1979 through 1984 complied with what is required of members of Congress who have spouses with separate financial holdings."

Instructions for members prepared by the House Committee on Standards of Official Conduct says that the benefit test "should be interpreted very broadly" and that the member must be able to say he or she "neither derives, nor expects to derive, any financial or economic benefit from the item."

The member would benefit if income from the spouse's holdings were used for vacations, education of children or maintaining a home, the booklet added.

Ferraro was not available last week to answer questions about the statement. But a Mondale-Ferraro campaign attorney said that Ferraro and her husband filed separate tax returns and that the benefit rule "has to be read with common sense or it is an exemption that applies to no one."

The attorney said Ferraro's accountant was told by the ethics committee staff that her husband met the exemption standard when she entered Congress in 1979, but didn't get the opinion in writing.

The attorney did not rule out the possibility that Ferraro might amend her disclosure statements to add Zaccaro's holdings.

Republican Rep. George Hansen of Idaho has pointed out that he was recently convicted of making false statements for willfully failing to disclose his wife's holdings on his House statements.

In her statement last week, Ferraro said she will disclose her husband's holdings in a financial statement she is required to file with the Federal Election Commission within 30 days of being nominated.

She will do so, she said, because "my husband and I believe it is in the public interest to do so and because the office of vice president is one of high public trust. My husband and I agree that any exemption from disclosure for him which might otherwise be available is outweighed by my nomination and its responsibilities."

She added that the FEC disclosure will also include his and her tax returns "for the past several years." ■

Chicago Tribune, Thursday, July 26, 1984

Ferraro defends disclosure filing

By James O'Shea
and Dorothy Collin
Chicago Tribune

WASHINGTON—Democratic vice presidential nominee Geraldine Ferraro said Wednesday that she has complied with federal laws requiring congressmen to disclose their personal finances even though she filed no information on the holdings of her husband, a New York real estate broker.

In a statement issued by her office, Ferraro also pledged to make public her tax returns from several years and those of her husband, John Zaccaro.

"As the Democratic nominee for vice president," Ferraro said, "I am required to make financial disclosure to the Federal Election Commission [FEC] within 30 days of nomination. I plan to include my husband's financial holdings in that disclosure, because my husband and I believe that it is in the public interest to do so and because the office of vice president is one of high public trust."

The statement came as questions lingered about inconsistencies in Ferraro's financial reports and about whether she should have disclosed holdings of her husband in the reports filed with Congress since 1979, when she was elected a New York representative.

REP. GEORGE HANSEN [R., Idaho] recently was sentenced to a maximum of 15 months in jail and was fined $40,000 for filing false financial reports with Congress, because he failed to disclose the income of his spouse. Hansen, who has appealed the conviction, is threatening to play up the Ferraro situation as he fights a House move to discipline him.

● Campaign rhetoric is snowballing between the White House and Capitol Hill. Page 9.

"If they are going to cook [Hansen], there are going to be other geese in the pot," said James McKenna, staff attorney for Hansen. McKenna said Hansen has written a letter to Rep. Louis Stokes [D., Ohio], chairman of the House Committee on Standard of Official Conduct, complaining that the financial disclosure of more than 20 others congressmen contained similar omissions of spousal holdings.

"Among those . . . it's obvious that one is the lady who is now the vice presidential candidate," McKenna said. "She has in effect told the House to go to hell."

Meanwhile, a House Republican leadership aide said there had been discussions among other Republicans about requesting an investigation into Ferraro's financial disclosure statement. "As yet," he said, "there are no organized plans to do anything. The feeling is to lay off."

In the statement released by her office, Ferraro said that her husband's holdings were "separate" from hers, a status that would mean they were exempt from disclosure. Under federal law, members of Congress don't have to disclose the financial holdings of their spouses if they don't derive any economic benefit from them or don't expect to derive any benefit in the future.

BUT FERRARO'S comments still don't answer specific questions that cast some doubt on whether her claim for the exemption of her husband's holdings is legitimate.

In one section of her financial disclosure, for example, she says she is an officer and a director of P. Zaccaro & Co., the family's New York real estate firm. It is unclear how Ferraro could be an officer and stockholder in the company and not derive any benefits from it.

Moreover, records at the FEC and in Congress say that Ferraro in 1978 paid off illegal loans to her campaign made by her husband and children by selling two assets she owned—a half-interest in a New York mortgage sold in October, 1978, for $30,000 and a half-interest in some real estate that sold for $100,000 the same month.

But her financial disclosure for 1978 doesn't list any rental income from the real estate or interest income from the mortgage for the portion of the year that she owned them, which raises a question of when and how she obtained the property that was sold to resolve the FEC's complaint.

On Wednesday, Ferraro did address one discrepency in her 1984 financial disclosure. The 1984 statement said that she had bond income of anywhere from $50,000 to $100,000 in 1984. However, she reported owning a total of $60,000 worth of bonds, meaning she would be earning a rate of interest somewhere between 80 and 160 percent.

Porn Firm Said Tenant Of Zaccaro

Husband of Ferraro Will Probe Report

By Charles R. Babcock
and Margot Hornblower
Washington Post Staff Writers

The husband of Democratic vice-presidential nominee Geraldine A. Ferraro manages a seven-story building near the edge of New York's Chinatown that is partly rented to a company that has been identified as a distributor of sexually explicit magazines.

John A. Zaccaro said in a statement yesterday that he didn't know the business of the company to which he rented two floors of space in early 1982 and has no knowledge now of the space's "exact use." He said he has asked his attorneys to investigate its use, and that if reports of a pornography business are true he will try to break the lease.

Zaccaro is head of P. Zaccaro Co. Inc., a real estate management company founded by his father. In her annual congressional disclosure statement, Ferraro lists herself as a shareholder and secretary-treasurer of the company, but has not reported her husband's financial holdings because, she says, the law does not require it.

A spokesman said yesterday that she also had no idea of who rented space in the building, at 200 Lafayette St.

The New York Tribune reported Tuesday that one of Zaccaro's tenants is Star Distributors.

Associated Press

View of commercial building, managed by John A. Zaccaro, at 200 Lafayette St., near New York's Chinatown.

In a 1978 article on the pornography business, Forbes magazine cited a New York State Commission of Investigation report as saying that Star Distributors had begun as a producer of nude magazines and by 1978 had "all the trappings of a pornographic conglomerate," including adult book stores, printing and film processing.

Forbes said Star's local New York distribution outlet was Bonate Inc., a version of the name of the company that is renting space in the building that Zaccaro manages.

Star Distributors' office address in New York is listed as 150 Lafayette St. Employes there refused yesterday to answer questions about the firm's business or its owners.

In his statement, Zaccaro said that as manager of the building he advertised in early 1982 that space was available.

The ad was answered by a "Nathan Grama, on behalf of the company named BO-NA-TE. Grama stated that BO-NA-TE was a warehousing company that needed extra storage space." Zaccaro rented it two floors for three years. The rent checks come from BO-NA-TE to his real estate management firm.

"Mr. Zaccaro has no knowledge of the exact use of the two floors rented in the building. There have been no complaints or other information which would have given Mr. Zaccaro reason to investigate the nature of any materials stored there," his statement said.

The building is on the corner of Lafayette and Broome streets. A visitor found yesterday that the entrance on Broome Street leads to the offices of several garment manufacturers and a retail appliance store. The door to the fifth floor, reportedly occupied by Star, was locked.

On the other side of the building, an entrance at 202 Lafayette led to a freight elevator where a man was unloading boxes from a truck marked Tri-Star Offset Corp.

A man who said he worked for Star Distributors and identified himself as Jose Rivera said the boxes were being taken to the fifth floor, which he said is occupied by Star.

A Bonate Distributors is listed in the telephone book at 150 Lafayette St., the same address as the office of Star Distributors.

Special correspondent John Kennedy contributed to this report.

Washington Times
August 2, 1984

O'Neill not so sure now about ethics law

By George Archibald
THE WASHINGTON TIMES

House Speaker Thomas P. O'Neill yesterday suggested that Congress ought to rewrite its ethics law in the wake of the conviction of one Republican member and growing interest in the financial disclosure statements by the Democratic vice-presidential nominee.

Both Democrats and Republicans believe Congress, not the Justice Department, should discipline its members for filing false financial disclosure reports, Mr. O'Neill, a Massachusetts Democrat, said.

"It was common talk in the cloakroom on both sides [during the Tuesday debate] that the original law was drafted wrongly," Mr. O'Neill told reporters.

"It was never the intent for congressmen to allow themselves to be

see ETHICS, page 12A

ETHICS

From page 1A

adjudicated by the Justice Department."

Mr. O'Neill's comments — his first public acknowledgment of a threat to congressional autonomy since the indictment of Rep. George Hansen, R.-Idaho, a year ago — came in the wake of charges that Democratic vice-presidential nominee Geraldine A. Ferraro may also have filed false financial disclosure reports.

Mr. Hansen faces up to 15 months in jail and $40,000 in fines following his conviction for not disclosing financial transactions of his wife, even though his rationale for omitting the information had been accepted for six years by the House ethics panel. His conviction has been appealed.

Mr. Hansen was prosecuted under a criminal false statements law, enacted long before the 1978 Ethics in Government Act which provided only civil penalties for improper financial disclosure statements required of federal officials with salaries of $59,000 or more.

Mrs. Ferraro, a three-term New York congresswoman, has failed to report her husband's assets and liabilities, even though she is part-owner and secretary-treasurer of his multimillion-dollar real estate development firm, P. Zaccaro Co. Inc.

She has also omitted information about her children's financial holdings, for which she is the legal trustee, and has other reported discrepancies on her ethics filings involving real estate holdings and transactions.

Other lawmakers are questioning her argument that she is legally exempt from the disclosure requirement because she has "no knowledge" of her family's financial activities and does not stand to benefit from them — now or in the future.

Several congressmen, including at least one member of the House Committee on Standards of Official Conduct, have received public complaints about Mrs. Ferraro's disclosure omissions since they were first publicized last month, it was reported yesterday by Capitol Hill sources.

Neither the committee nor the Justice Department will say whether an investigation of allegations of ethics violations by Mrs. Ferraro is under way.

Under complicated House rules, if the ethics panel does not initiate its own investigation of alleged improprieties, or if a criminal conviction is not first handed down against a lawmaker, formal complaints to the committee by the public can trigger a probe after three lawmakers have refused in writing to transmit the complaints to the panel.

Otherwise, only a member of Congress can initiate an ethics investigation.

Mrs. Ferraro said yesterday that there was no similarity between her financial disclosure requirements and those of Rep. Hansen. Questioned at a campaign news conference in Texas, she said she was sympathetic to Mr. Hansen's problems, but "the difference is that I claim an exemption and still claim that exemption and he never claimed an exemption" from reporting the financial situation of his spouse.

She said that Mr. Hansen was unwilling to disclose the contended items — a claim disputed by the Idaho Republican — and said she will be doing so, not as a member of Congress but as a candidate for the vice presidency — though she is both.

Mr. Hansen said he was never told or given the opportunity to amend his financial disclosure before his conviction, and cannot do so now without further jeopardizing himself during appeals of his felony conviction.

Mr. O'Neill declined to comment on Mrs. Ferraro's situation Tuesday. But, pressed by reporters, he said, "I don't think that in any way she has broken the law, from what I hear around here."

He said he expects Mrs. Ferraro will provide additional details on her finances. She has said she will disclose family financial information, which she did not report on her House ethics statements, in a report to the Federal Election Commission by the middle of this month.

Mr. O'Neill said there is a lot of talk by House members about changing the law to prevent the Justice Department from continuing criminal prosecution of lawmakers for financial disclosure violations. "But who will have the courage to do anything about it, I don't know," he said.

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Re: MUR 892(78)

AFFIDAVIT

JOHN A. ZACCARO, being duly sworn, deposes and says:

I am responding herein to a letter to me from William C. Oldaker, General Counsel, Federal Election Commission (the "Commission"), dated January 11, 1979, concerning contributions made by me to the Committee to Elect Geraldine Ferraro (the "Committee"), and the list of questions enclosed therewith.

Question 1(a). The source of the May 10, 1978 loan to the Committee in the amount of $25,000 was a loan taken by me from the East River Savings Bank. I signed a $25,000 demand note and, as collateral security for the loan,assigned and pledged the balance of East River Savings Bank Account No. 3002820 held in the name of "Mrs. Geraldine A. Zaccaro or Mr. John A. Zaccaro." At the time of the loan, the balance in Account No. 3002820 was sufficient to repay the loan in full. On September 15, 1978, funds in that account were transferred to repay the full amount of the loan plus interest thereon. That account was opened in 1971, and all of the funds deposited therein were the personal funds of Geraldine A. Ferraro, my wife, or the undersigned. My personal funds, as referred to herein, were derived primarily from salary and commissions from my business, and those of my wife were derived primarily from salaries earned by her.

Question 1(b). The source of my August 15, 1978 loan of $20,000 to the Committee was a loan I received from the Massachusetts Mutual Life Insurance Company in the amount of $20,000. In obtaining this loan, I borrowed against several life insurance policies of that company on my life. Massachusetts Mutual issued a check in the amount of $20,000 to the order of "John A. Zaccaro," and no documents were signed by me in connection with the loan.

Question 1(c) and 1(d). The source of the funds for the August 31, 1978 loan in the amount of $25,000 and the September 5, 1978 loan in the amount of $25,000 made by me to the Committee was a loan of $50,000 which I obtained from the East River Savings Bank. I signed a demand note for $50,000 dated August 29, 1978, and, as collateral security for the loan, pledged and assigned to the bank the balance of East River Savings Bank Account No. 3-266419-5 held in the name of "Mrs. Rosina Vacca or Mr. John A. Zaccaro." Mrs. Vacca is my mother. On the date of the loan I deposited $5,665.70 into Account No. 3-266419-5, which funds I had withdrawn the same day from East River Savings Bank Account No. 301 259647-0 held in the name of "Miss Rosina Vacca or Mr.

John A. Zaccaro." The balance of Account No. 266419-5 (including the $5,665.70 deposit) securing the loan was sufficient on August 29, 1978 and thereafter to repay the $50,000 loan in full. All of the funds deposited in both of the accounts were my personal funds. Account No. 301 259647-0 was opened in 1974, and Account No. 266419-5 was opened in April 13, 1978 with funds transferred from East River Savings Account No. 3-006223 held in the name of "Mrs. Rosina Vacce or Mr. John A. Zaccaro." The latter account was opened in 1974, and all of the funds deposited therein were my personal funds.

Question 1(e). The source of funds for the August 3, 1978 loan of $5,000 to the Committee was East River Savings Bank Account No. 3-260954-7 held in the name of "Mr. John A. Zaccaro, Custodian for Donna A. Zaccaro Under the Uniform Gifts to Minors Act." The funds were withdrawn from the savings account on August 2, 1978, and no documents were signed by me in connection with the withdrawal. The loan was repaid by the Committee, and $5,000 was deposited in the account on October 11, 1978. The account was opened in 1974 and the funds deposited therein were my personal funds or personal funds of my wife.

Question 1(f). The source of funds for the July 12, 1978 loans to the Committee in the amount of $10,000 was two savings accounts: $5,000 withdrawn from East River Savings Bank Account No. 3-260955-4 held in the name of "Mr. John A. Zaccaro, Custodian for Laura A. Zaccaro Under the Uniform Gifts to Minors Act," and

$5,000 withdrawn from East River Savings Bank Account No. 3-260956-2 held in the name of "Mr. John A. Zaccaro, Custodian for Laura A. Zaccaro Under the Uniform Gifts to Minors Act." Each of these accounts were opened in 1974 and all of the funds deposited therein were my personal funds or the personal funds of my wife. No documents were signed by me in connection with these withdrawals. The loans were repaid by the Committee, and $5,000 was deposited in each account on October 11, 1978. It should be noted that Account No. 3-260956-2 is now held in the name of "Mr. John A. Zaccaro, Custodian for John Zaccaro, Jr. Under the Uniform Gifts to Minors Act." This change was made subsequent to the aforementioned transactions to correct an error made by the bank when the accounts were opened. I had intended to open an account for each of my three children and the bank instead put two of the accounts in the name of Laura and none in the name of John, Jr.

I believe the circumstances surrounding the making of these loans are relevant to the Commission's consideration of this matter. Prior to the time any of those loans were made to the Committee, a meeting was held by various persons associated with the Committee and the election campaign to discuss, among other things, how the campaign would be financed. Among those in attendance at the meeting were David Blanksteen, Treasurer of the Committee, David Stein, an attorney who I was advised had formerly worked for the Federal Election Commission, and myself.

At that meeting, concern was expressed by those present that there be strict compliance with all Federal regulations concerning campaign receipts and expenditures. We were then advised by Mr. Stein that the proper method of funding the campaign in order to avoid any of the limitations imposed by Federal law was to have members of the candidate's immediate family loan the Committee the necessary funds. Relying on this advice, the loans discussed above were made to the Committee. In this regard it should be noted that the candidate herself had more than sufficient assets owned in her own name prior to becoming a candidate, and at all times thereafter, to have contributed to the Committee an amount equal to the loans made by members of her family. Accordingly, had we been properly advised as to the Federal limitations on contributions, such personal assets would have been utilized in lieu of the loans from me and our children.

On September 11, 1978, after all of the aforementioned loans had been made to the Committee, we were advised by the Federal Election Commission that loans from family members constituted contributions subject to the statutory limitation of $1,000 per person, per election. It was on that date that the letter received indicating possible violations. Upon its receipt, a telephone call was immediately made to the Commission for clarification, which advised us of the status of loans from members of a candidate's immediate family. Thereafter, the candidate, Committee and I made every possible effort to raise funds for the Committee as soon as possible to pay back the loans from family members. As previously reported by the Committee by letter of October 5, 1978, all loans in excess of $1,000 from family members were repaid by the Committee.

As stated above, at the time the aforementioned loans were made to the Committee I believed they were in full compliance with all Federal laws and regulations. In this regard I was relying on the advice of an attorney whom I had every reason to believe was fully familiar with such Federal rules and regulations.

In view of the foregoing, I respectfully request that no action be taken against me and that this investigation be resolved as expeditiously as possible. Every effort has been made by me and the Committee since the initial notification of a possible violation to make full reports to the Commission of the status of the loans, and every possible effort was made to have them immediately repaid.

John A. Ceccaro

Subscribed and sworn to before
me this 9th day of February, 1979.

Notary Public

[illegible]
NOTARY [illegible] New [illegible]
[illegible] 1979

Geraldine A. Ferraro
Attorney at Law

Canal 6 1818

218 Lafayette Street
New York, N. Y. 10012

OFFICE OF RECORDS
1978 MAY 22 AM 9 32
U.S. HOUSE OF REPRESENTATIVES

May 16, 1978

Clerk of the House of Representatives
1036 Longworth House Office Building
Washington, D.C. 20515

NY0910

Dear Sir:

Please accept this letter, in lieu of F.E.C. Form 2, as my Statement of a Candidate for Nomination or Election to Federal Office.

My full name is Geraldine A. Ferraro, my address is 22 Deepdene Road, Forest Hills, New York 11375, and I am seeking the Democratic Party nomination to run for the House of Representatives from the Ninth District of New York.

I hereby designate the Committee to Elect Geraldine Ferraro to Congress as my Principal Campaign Committee, for the 1978 primary and general election. The Committee's address is 218 Lafayette Street, New York, New York 10012.

I hereby designate the Atlantic Bank of New York of 123 William Street, New York, NY 10038 as the campaign depository to be used by myself and my principal campaign committee.

I hereby certify that the above named committee and authorized agents thereof will receive and disburse all funds in support of my candidacy in the above elections. Based upon this certification, I hereby request a waiver of my reporting responsibility.

I certify that I have examined the contents of this letter and to the best of my knowledge and belief it is true, accurate and complete.

Geraldine A. Ferraro
Geraldine A. Ferraro

5/16/78
Date

FEC Form 1
July 1976
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

[illegible] Political Committee

Supporting any candidate(s) for federal office and anticipating contributions or expenditures in excess of $1,000 in any calendar year in support of such candidate(s).
(See Reverse Side For Instructions.)

OFFICE OF PUBLIC RECORDS
1978 MAY 22 AM 9 32

Note: Committees authorized by a candidate to receive contributions and make expenditures in connection with more than one election must maintain separate records with respect to each election.

1(a) Name of Committee (in full) ☐ Check if name or address is changed Committee to Elect Geraldine Ferraro to Congress	2 079707
(b) Address (number and street) 218 Lafayette Street	3 Date May 16, 1978
(c) City, State and ZIP code New York, NY 10012	4 Is this an amended statement ☐ Yes ☒ No If "YES" FILL IN ONLY THOSE LINES ON WHICH THERE HAS BEEN A CHANGE

5 Check one

☒ (a) This committee has been designated as the principal campaign committee for Geraldine Ferraro (Name of Candidate) a candidate for House of Representatives (Federal office sought) in the 1978 Primary & General (Year of election) Election to be held in the State of New York (State in which election is held)

(THE PRINCIPAL CAMPAIGN COMMITTEE WILL FORWARD TO THE COMMISSION A COPY OF THE STATEMENT OF ORGANIZATION FOR EACH AFFILIATED COMMITTEE REQUIRED TO FILE WITH IT.)

☐ (b) This committee is supporting only one candidate, and is authorized by ____________ (Name of Candidate) to receive contributions and make expenditures with respect to the ____________ (General, Primary, Runoff, etc.) Election(s) held in ____________ (Year of election in State), and will file all reports and statements with the candidate's principal campaign committee, ____________ (Full name of principal campaign committee)

(ATTACH A COPY OF CANDIDATE'S WRITTEN AUTHORIZATION.) (FEC FORM 2a)

☐ (c) This committee supports only one candidate ____________ (Name of Candidate) but is not an authorized committee.

☐ (d) The committee supports more than one Federal candidate and is not a party committee.

☐ (e) This committee is a ____________ (National, State, county, city) committee of the ____________ (Democratic, Republican, etc.) Party.

6 Names of affiliated and/or connected organizations	Mailing address and ZIP code	Relationship

If the registering political committee has identified a "connected organization" above, please indicate type of organization:
☐ Corporation ☐ Labor organization ☐ Membership organization ☐ Trade association ☐ Cooperative
☐ Corporation without capital stock ☐ Other (please specify)

Submit additional information on separate continuation sheets appropriately labeled and attached to this Statement of Organization. Indicate in the appropriate section above when information is continued on separate page(s).

78011361400

POSTMARK ILLEGIBLE

Category

1. Name of Committee (in Full)
GERALDINE A. FERRARO FOR CONGRESS 1982

Address (Number and Street)
218 Lafayette Street

City, State and ZIP Code
New York, NY 10012

☐ Check if address is different than previously reported.

2. FEC Identification Number
093797

3. Is this Report an Amendment?
☐ YES ☒ NO

4. TYPE OF REPORT

☒ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Twelfth day report preceding ______ (Type of Election) election on ______ in the State of ______
☐ Thirtieth day report following the General Election on ______ in the State of ______
☐ Termination Report

This report contains activity for — ☐ Primary Election ☐ General Election ☐ Special Election ☐ Runoff Election

SUMMARY	Column A This Period	Column B Calendar Year-to-Date
5. Covering Period 1/1/82 Through 3/31/82		
6. Net Contributions (other than loans):		
(a) Total Contributions (other than loans) (from Line 11e)	$ 1,165.65	$ 1,165.65
(b) Total Contribution Refunds (from Line 20d)	$	$
(c) Net Contributions (other than loans) (Subtract Line 6b from 6a)	$ 1,165.65	$ 1,165.65
7. Net Operating Expenditures:		
(a) Total Operating Expenditures (from Line 17)	$ 1,379.97	$ 1,379.97
(b) Total Offsets to Operating Expenditures (from Line 14)	$	$
(c) Net Operating Expenditures (Subtract Line 7b from 7a)	$ 1,379.97	$ 1,379.97
8. Cash on Hand at Close of Reporting Period (from Line 27)	$ 14,081.03	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C or Schedule D)	$ 1,000.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

George A. Eliopoulos
Type or Print Name of Treasurer

George Eliopoulos
Signature of Treasurer

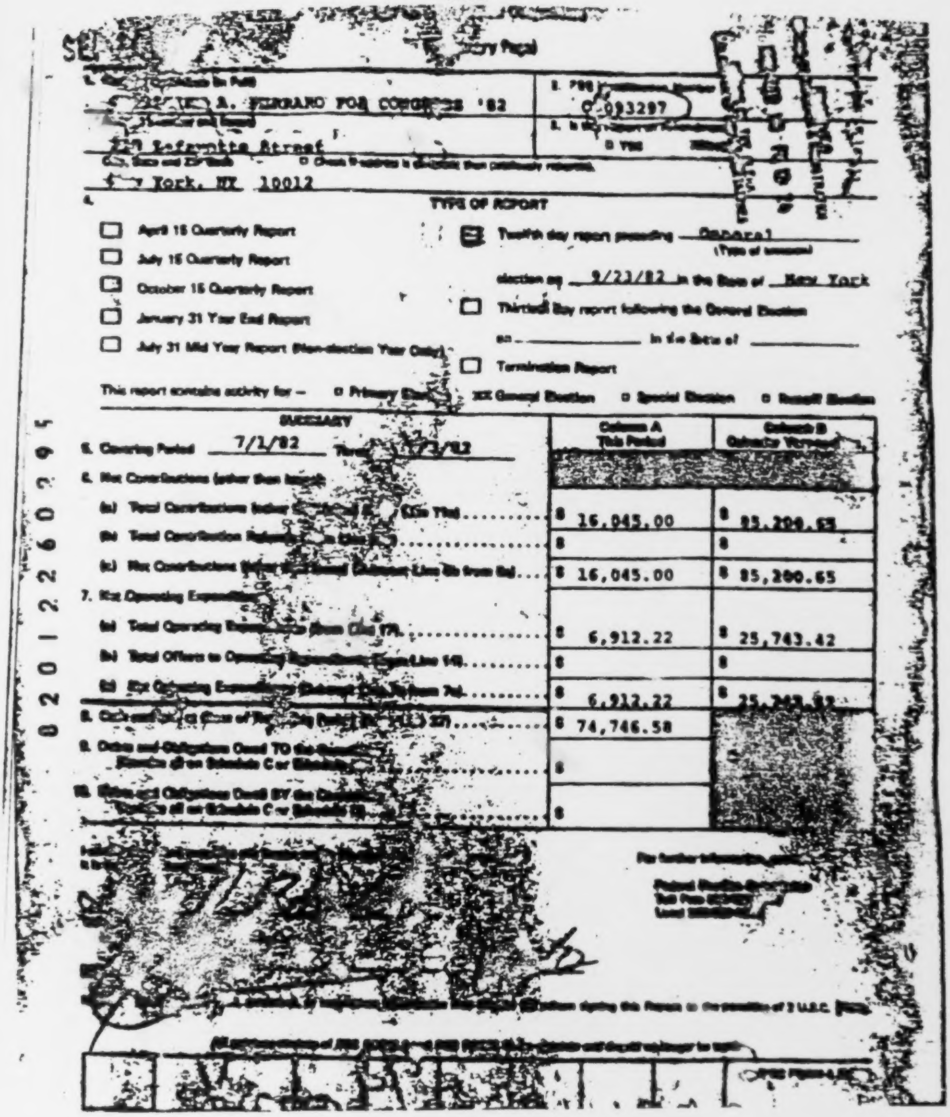
4/8/82

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3 (6/80)



SE[illegible] [illegible] Summary Page

1. Name of Committee (in Full)
[illegible] A. FERRARO FOR CONGRESS '82

Address (Number and Street)
[illegible] Lafayette Street

City, State and ZIP Code ☐ Check if address is different than previously reported.
[illegible] York, NY 10012

2. FEC Identification Number
C 093297

3. Is this report an Amendment?
☐ YES [illegible]

4. TYPE OF REPORT

☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☐ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☒ Twelfth day report preceding General (Type of election) election on 9/23/82 in the State of New York
☐ Thirtieth day report following the General Election on __________ in the State of __________
☐ Termination Report

This report contains activity for — ☐ Primary Election XX General Election ☐ Special Election ☐ Runoff Election

SUMMARY

5. Covering Period 7/1/82 Through [illegible]/82

	Column A This Period	Column B Calendar Year-to-Date
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11e)	$ 16,045.00	$ 85,200.65
(b) Total Contribution Refunds (from Line [illegible])	$	$
(c) Net Contributions (other than loans) (Subtract Line 6b from 6a)	$ 16,045.00	$ 85,200.65
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	$ 6,912.22	$ 25,743.42
(b) Total Offsets to Operating Expenditures (from Line 14)	$	$
(c) Net Operating Expenditures (Subtract Line 7b from 7a)	$ 6,912.22	$ 25,743.42
8. Cash on Hand at Close of Reporting Period (from Line 27)	$ 74,746.58	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C or Schedule D)	$	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$	

For further information contact:

Federal Election Commission
Toll Free [illegible]
Local [illegible]

[illegible] 7/12 [illegible]

[illegible] a statement or [illegible] information [illegible] this Report to the penalties of 2 U.S.C. [illegible]

[illegible]

FEC FORM 3 [illegible]

82012260795

GERALDINE A. FERRARO FOR CONGRESS '82
218 LAFAYETTE STREET
NEW YORK, NY 10012

[illegible]
OCT 2 1982

RECEIVED
OFFICE OF RECORDS & REGISTRATION
1982 OCT 28 AM 11: 19

October 26, 1982

Office of the Clerk
U.S. House of Representatives
Longworth House Office Bldg., Rm. 1036
Washington, D.C. 20515

RE: Geraldine A. Ferraro for Congress '82
Identification No. C-093297

Gentlemen:

This is to advise you that a contribution in the amount of $1,000.00 was received from Machinists Non-Partisan Political League, 1300 Connecticut Avenue, N.W., Washington, D.C. 20036 on October 25, 1982.

Very truly yours,

John A. Zaccaro
Treasurer

JAZ:as

82012351817

[illegible] 100 [illegible]

REPORT OF RECEIPTS AND DISBURSEMENTS
For An Authorized Committee

(Summary Page)

CERTIFIED
JAN 17 1983

1983 JAN 20 AM 9:46

1 Name of Committee (in Full)
GERALDINE A. FERRARO FOR CONGRESS [illegible]

Address (Number and Street)
218 Lafayette Street

City, State and Zip Code
New York, NY 10012

☐ Check if address is different than previously reported

C-09[illegible]

4 TYPE OF REPORT

☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)

☐ Twelfth day report preceding ______ (Type of Election) election on ______ in the State of ______
☐ Thirtieth day report following the General Election on ______ in the State of ______
☐ Termination Report

This report contains activity for — ☐ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year to Date
5 Covering Period 11/23/82 through 12/31/82		
6 Net Contributions (other than loans)		—
(a) Total Contributions (other than loans) (From Line 11 (e))	$ 500.00	$106,[illegible].65
(b) Total Contribution Refunds (from Line 20 (d))		—
(c) Net Contributions (other than loans) (subtract Line 6 (b) from 6 (a))	$ 500.00	$106,[illegible].65
7 Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	$2,648.91	$ 85,[illegible].29
(b) Total Offsets to Operating Expenditures (from Line 14)	$1,362.18	$ 1,362.18
(c) Net Operating Expenditures (Subtract Line 7 (b) from 7 (a))	$1,286.73	$ 84,236.11
8 Cash on Hand at Close of Reporting Period (from Line 27)	$4,705.23	
9 Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)		
10 Debts and Obligations Owed BY The Committee (Itemize all on Schedule C or Schedule D)		

8301[illegible]41[illegible]

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

John A. Zaccaro
Type or Print Name of Treasurer

SIGNATURE OF TREASURER

1/17/83
Date

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3 (3/80)

JAN 31 1984
CERTIFIED MAIL

REPORTS OF RECEIPTS AND DISBURSEMENTS
For Authorized Committee

(Summary Page)

1 Name of Committee (in Full)
Geraldine A. Ferraro for Congress '82

Address (Number and Street)
218 Lafayette Street

City, State and Zip Code
New York, NY 10012

☐ Check if address is different than previously reported

2 FEC Identification Number
C-093297

094480

3 Is this Report an Amendment?
☐ YES ☒ NO

84 FEB 3

4 TYPE OF REPORT

☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-election Year Only)
☐ Twelfth day report preceding ______ (Type of Election) election on ______ in the State of ______
☐ Thirtieth day report following the General Election on ______ in the State of ______
☐ Termination Report

This report contains activity for – ☒ Primary Election ☒ General Election ☐ Special Election ☐ Runoff Election

SUMMARY

5 Covering Period 7/1/83 through 12/31/83

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6 Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (From Line 11 (e))	2,225.00	3,025.00
(b) Total Contribution Refunds (from Line 20 (d))		
(c) Net Contributions (other than loans) (subtract Line 6 (b) from 6 (a))	2,225.00	3,025.00
7 Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	1,760.93	3,710.25
(b) Total Offsets to Operating Expenditures (from Line 14)		
(c) Net Operating Expenditures (Subtract Line 7 (b) from 7 (a))	1,760.93	3,710.25
8 Cash on Hand at Close of Reporting Period (from Line 27)	1,198.67	
9 Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)		
10 Debts and Obligations Owed BY The Committee (Itemize all on Schedule C or Schedule D)		

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

John A. Zaccaro
Type or Print Name of Treasurer

Signature of Treasurer

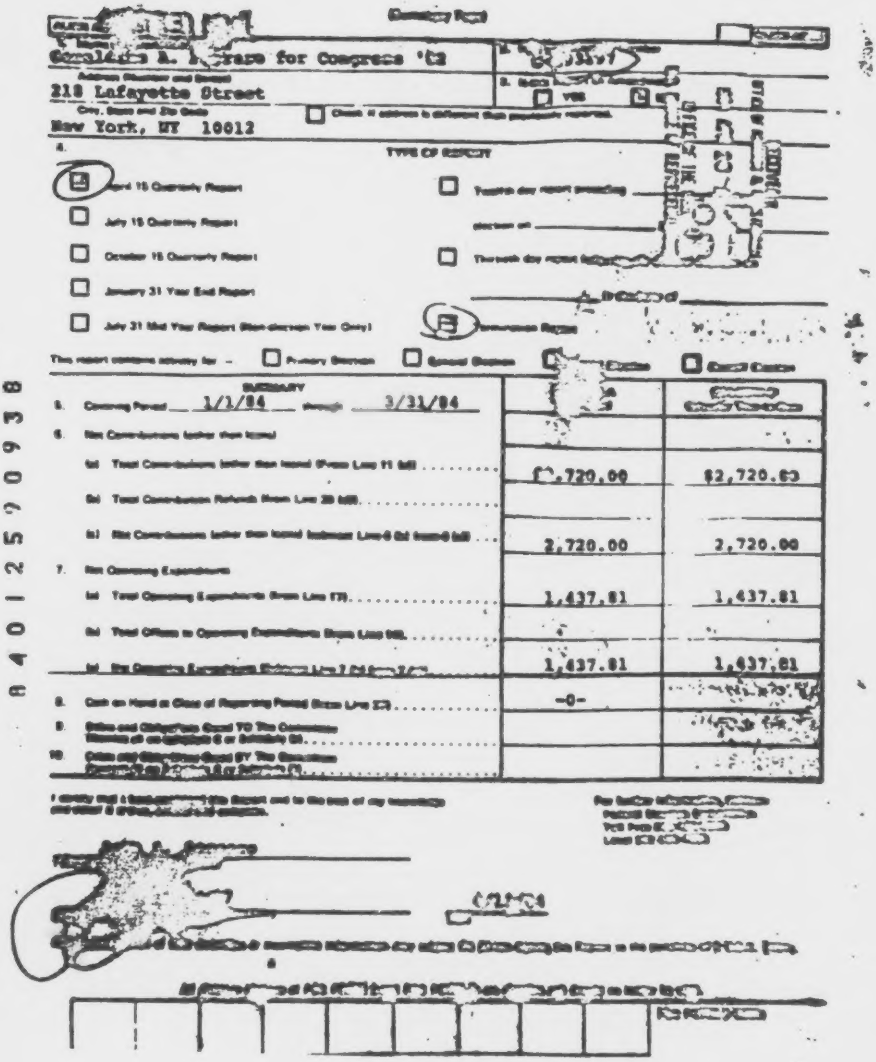
1/24/83
Date

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

All previous editions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3 (3/80)



8 4 0 1 2 5 2 0 9 3 8

Geraldine A. [illegible]raro for Congress '82

218 Lafayette Street

New York, NY 10012

☐

TYPE OF REPORT

☒ [illegible] 15 Quarterly Report

☐ July 15 Quarterly Report

☐ October 15 Quarterly Report

☐ January 31 Year End Report

☐ July 31 Mid Year Report (Non-election Year Only)

☐ Twelfth day report preceding ____ election on ____

☐ Thirtieth day report following ____

☒ Termination Report

This report contains activity for – ☐ Primary Election ☐ Special Election ☐ [illegible] ☐ [illegible]

SUMMARY

		[illegible]	[illegible]
5.	Covering Period 1/1/84 through 3/31/84		
6.	Net Contributions (other than loans)		
	(a) Total Contributions (other than loans) (From Line 11 (d))	[illegible],720.00	$2,720.00
	(b) Total Contribution Refunds (From Line 20 (d))		
	(c) Net Contributions (other than loans) (subtract Line 6 (b) from 6 (a))	2,720.00	2,720.00
7.	Net Operating Expenditures		
	(a) Total Operating Expenditures (from Line 17)	1,437.81	1,437.81
	(b) Total Offsets to Operating Expenditures (from Line 14)		
	(c) Net Operating Expenditures (subtract Line 7 (b) from 7 (a))	1,437.81	1,437.81
8.	Cash on Hand at Close of Reporting Period (from Line 27)	-0-	
9.	Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)		
10.	Debts and Obligations Owed BY The Committee (Itemize all on Schedule C or Schedule D)		

4/12/84

108

REGULAR MAIL
APR 27 1984

STATEMENT OF ORGANIZATION

1 (a) Name of Committee (in Full) ☐ Check if name or address is changed
Geraldine A. Ferraro for Congress 1984

(b) Address (Number and Street)
218 Lafayette Street

(c) City, State and ZIP Code
New York, NY 10012

2 Date
099297

3 FEC Identification Number

4 Is this an amended Statement

5 TYPE OF COMMITTEE (check one)

☒ (a) This committee is a principal campaign committee.

☐ (b) This committee is an authorized committee.

Name of Candidate	Candidate Party Affiliation	Office Sought	State/District
Geraldine A. Ferraro	Democratic	House of Representatives	NY/9

☐ (c)

☐ (d) This committee is a ______ committee of the ______ Party

☐ (e) This committee is a separate segregated fund.

☐ (f)

6 Name of Any Connected Organization or Affiliated Committee | Mailing Address and ZIP Code | Relationship

7. Custodian of Records

Full Name	Mailing Address and ZIP Code	Title or Position
Treasurer		

8 Treasurer

Full Name	Mailing Address and ZIP Code	Title or Position
John A. Zaccaro	218 Lafayette Street New York, NY 10012	Treasurer

9 Banks or Other Depositories

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
Citibank	124-126 Bowery New York, NY 10012

John A. Zaccaro
Type or Print Name of Treasurer

4/27/84
Date

For further information contact: Federal Election Commission

FEC FORM 1

84012525121

DOCUMENT EXCERPT FROM FEDERAL ELECTION
COMMISSION ENFORCEMENT ACTION MUR 892.

By letter dated October 30, 1978, the committee treasurer indicated that the loans received from the candidate's family should be attributed to each individual as follows:

Loan in the name of	Date	Amount	Source
John Zaccaro, Sr.	5/10/78	$25,000	joint savings account in the name of "Mrs. Geraldine A. Zaccaro or Mr. John A. Zaccaro. Payable to either or survivor."
	8/15/78	$20,000	no explanation
	8/31/78	$25,000	no explanation
	9/5/78	$25,000	no explanation 2/
Donna A. Zaccaro	6/20/78	$ 5,000	Savings account in the name of "Geraldine A. Zaccaro custodian for Donna A. Zaccaro."
	8/13/78	$ 8,000	Savings account in the name of "John A. Zaccaro custodian for Donna A. Zaccaro" to the extent of $5,000 and "Geraldine A. Zaccaro custodian for Donna A. Zaccaro" to the extent of $3,000.
John A. Zaccaro, Jr.	6/20/78	$ 5,000	Savings account in the name of "Geraldine A. Zaccaro custodian for John A. Zaccaro, Jr."
	8/3/78	$ 3,000	
Laura A. Zaccaro	6/20/78	$ 5,000	Savings account in the name of "Geraldine A. Zaccaro custodian for Laura A. Zaccaro."
	7/12/78	$10,000	Savings account in the name of "John A. Zaccaro custodian for Laura A. Zaccaro."
	8/13/78	$ 3,000	Savings account in the name of "Geraldine A. Zaccaro custodian for Laura A. Zaccaro"

TOTAL: $134,000

2/ Although the October 30th letter only explained the May 10th contribution from John Zaccaro, Committee reports indicate the nature of the loans to be demand loans at 5 1/4% interest, unsecured, borrowed on a life insurance policy and/or transferred from bank account.

EXHIBIT E

Sunday, July 29, 1984 THE WASHINGTON POST

Property Deals Helped Ferraro Pay for '78 Race

By Charles R. Babcock
Washington Post Staff Writer

Democratic vice presidential nominee Rep. Geraldine A. Ferraro (D-N.Y.) raised $100,000 in 1978 for her first congressional campaign by selling her interest in a New York building to her partner after they determined that its value had nearly doubled in the five months they had owned it, according to real estate records and attorneys for the Mondale-Ferraro campaign.

This is one of a complicated series of Ferraro transactions that are not unusual in commercial property dealings. The details show how real estate helped finance her first congressional race.

Ferraro and her partner, Manny Lerman, bought the building for $175,000 on May 1, 1978, but agreed to use a $325,000 valuation when Lerman purchased her half interest five months later, Oct. 5, 1978, the records show.

At the time Ferraro was trying to raise $130,000 to pay back loans made by her husband and children to her 1978 campaign. This occurred after the Federal Election Commission had notified her that the loans exceeded the $1,000 campaign contribution limit for individuals. The law puts no limit on what a candidate can lend to his or her own campaign.

See FINANCES, A6, Col. 1

Ferraro's Real Estate Dealings Helped Finance '78 Campaign

FINANCES, From A1

Ferraro and a Lerman partnership had each put up $25,000 cash and took out a $125,000 mortgage in May, 1978, to buy the $175,000 two-story commercial building on the corner of Centre and Grand streets in lower Manhattan. Lerman is a business associate of Ferraro's husband, John A. Zaccaro, a New York real estate executive.

The $325,000 figure used in October, 1978, was based on a review of recent sales in the area, rather than a formal appraisal, Ferraro attorneys said last week.

When Lerman bought Ferraro's share, he assumed the $125,000 mortgage and gave Ferraro a $100,000 check, records show. This gave Ferraro a 400 percent return on the $25,000 she had invested five months and five days earlier.

Lerman could not be reached for comment last week. Ferraro has designated two lawyers working for the Mondale-Ferraro campaign to answer questions on her finances.

These attorneys said the building's value was properly increased because Ferraro and Lerman got "a great deal" at $175,000 when they bought it from Norfolk Realty Corp. In addition, the attorneys said the $325,000 valuation was comparable to sales then of other area buildings—a standard method of determining the value of real estate.

"She was entitled to what they could get in the marketplace at the time," said one of the lawyers, who declined to be named. He added that all the records of the transaction could not be reviewed on short notice, but said he was certain that the matter was handled correctly and was a straight-forward real estate transaction.

Lerman also figured in raising the other $30,000 Ferraro needed to repay the disallowed $130,000 in campaign loans. A Lerman family partnership paid her $30,000 on Oct. 4, 1978, for her half interest in an unrecorded mortgage on another piece of New York property at 124-126 Bowery in lower Manhattan. Ferraro had paid $35,000 for that interest in November, 1977, Ferraro's attorneys said, and, thus, lost $5,000 on the transaction.

With the $130,000 Ferraro raised in October, 1978, she paid back the family loans. Her campaign attorney at the time emphasized that her husband and children had

had sold. This attorney also said she would be required to pay a capital gains tax on some of the profit.

After an investigation of the family loans to the Ferraro campaign, the FEC fined her campaign committee and her husband a total of $750. The file that includes the agreement closing the case shows that the FEC accepted Ferraro's explanation that she had received incorrect legal advice and that she had adequate personal funds to have made the loans herself.

Ferraro announced last week that she will soon make a full financial disclosure, including details of her holdings and those of her husband and their tax returns.

Since Ferraro was nominated earlier this month, several questions have arisen about her finances and those of her husband, whose real estate firm manages more than 20 residential and commercial buildings in New York City.

Last week there were reports that a tenant in one of the buildings Zaccaro manages is an alleged pornography dealer. Zaccaro said he will investigate and oust the tenant if the reports are true.

A Lerman partnership is owner of record for the building where space is rented to the alleged pornography dealer. But Ferraro's attorneys said Zaccaro told them that he also owned a half-interest in that building at 200 Lafayette St. through a partnership with Lerman. This ownership interest is not recorded in the city's records.

In 1978, Ferraro's campaign reported that her children had given unsecured, interest-free loans to the campaign that were drawn against accounts Ferraro and her husband had set up for the children's college educations.

On Sept. 7, 1978, the FEC notified Ferraro's campaign that the loans appeared to exceed legal limits. On Sept 13, the day after Ferraro won the Democratic congressional primary, FEC analyst Laurie Castaneda wrote an internal memo saying that Ferraro had called to explain that she "was under the impression" that there was no limit on such loans. She added that the loan money had come from a joint account with her husband and from "college funds set up for her children. She was trustee of those accounts and said, therefore, she had control of that money," Castaneda wrote.

was her money and that she was in control of those funds," she could amend her reports to attribute the loans to herself. Instead, Ferraro sold her interests in the Centre Street and Bowery properties.

Details of Ferraro's 1978 acquisition of the half-interest in the Centre Street building, which now houses a restaurant and machine shops, were not at first clear from the public records. Murry Kalik, Ferraro's attorney on the real estate transactions, said in telephone interview last week that a "dummy corporation," Polarob Realty Corp., had been used to buy the property.

The same day, May 1, Polarob conveyed the deed to Ferraro and a partnership called Melro Co., which included Lerman. Kalik said the dummy corporation was used to protect the owners from personal liability on the mortgage.

The members of the Melro partnership are not recorded in New York County, but Kalik and Ferraro's attorneys said last week that Lerman was a principal in Melro.

The mortgage on the Bowery property Ferraro said she sold for $30,000 in 1978 to help repay the family campaign loans is not recorded in New York County. Her attorneys said this was done to save the recording fee.

But Ferraro's attorneys last week provided documents showing that Ferraro had a 50 percent interest in that mortgage. It was bought from the National Bank of North America for $70,000 on Nov. 25, 1977, according to records. Ferraro's attorneys said she had acquired her share for $35,000, but did not have a copy of the check.

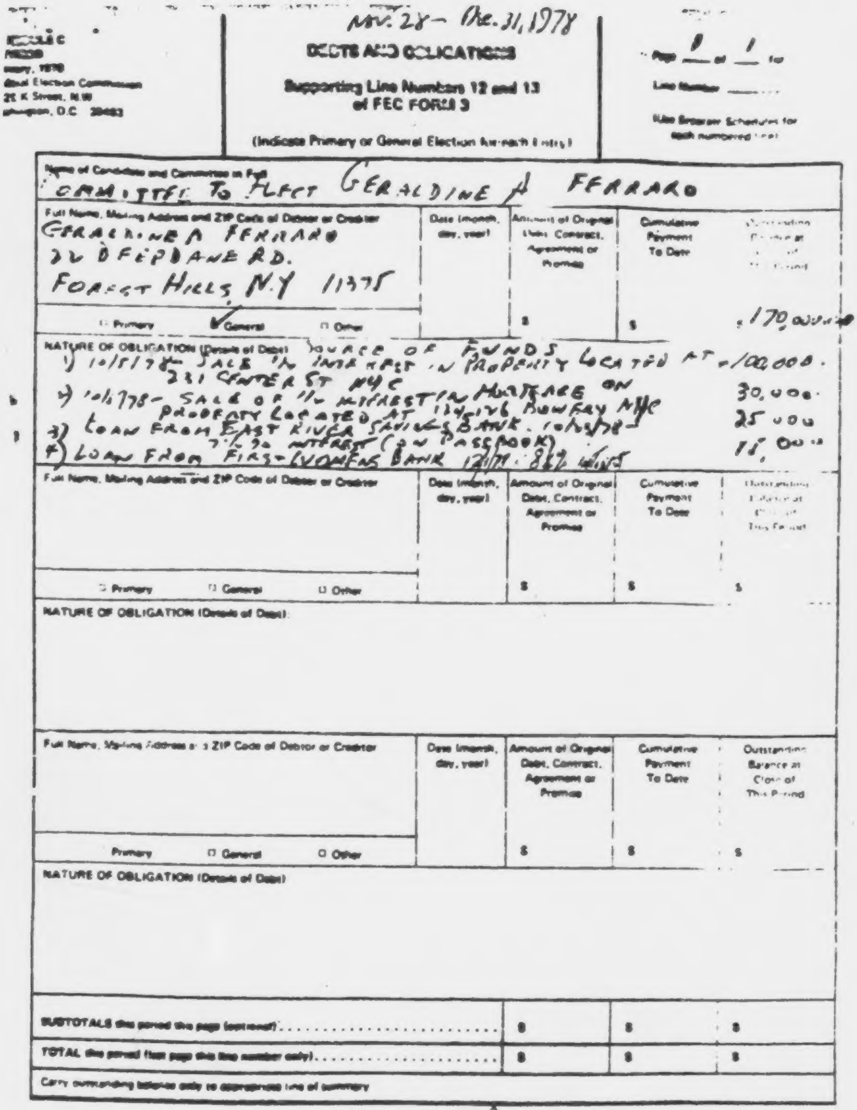
When she sold her interest in October, 1978, it was to the Melro Co., the partnership that includes Lerman.

Samuel Feldman, an attorney representing Lerman, said that Lerman bought the mortgage for his children as a gift.

After Farraro repaid her husband and children in 1978, she borrowed $40,000 from two banks, so her loans to her first congressional campaign totaled $170,000.

She used leftover money from her 1980 and 1982 congressional campaigns to pay herself back, according to FEC records. The latest 1984 filing shows that she is owed about $50,000 from the 1978 campaign.

Special correspondent John Ken



...ULE C
...ary, 1978
...al Election Commission
...25 K Street, N.W.
...ington, D.C. 20463

NOV. 28 – Dec. 31, 1978

DEBTS AND OBLIGATIONS

Supporting Line Numbers 12 and 13 of FEC FORM 3

(Indicate Primary or General Election for each Entry)

Page 1 of 1 for Line Number ____

(Use Separate Schedules for each numbered line)

Name of Candidate and Committee in Full: COMMITTEE TO ELECT GERALDINE A FERRARO

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
GERALDINE A FERRARO 22 DEEPDANE RD. FOREST HILLS N.Y 11375 ☐ Primary ☑ General ☐ Other		$	$	$170,000.00

NATURE OF OBLIGATION (Details of Debt): SOURCE OF FUNDS

1) 10/5/78 – SALE ½ INTEREST IN PROPERTY LOCATED AT 231 CENTER ST NYC — $100,000.
2) 10/17/78 – SALE OF ½ INTEREST IN MORTGAGE ON PROPERTY LOCATED AT 124-126 BOWERY NYC — 30,000.
3) LOAN FROM EAST RIVER SAVINGS BANK. 10/31/78 – 7½% INTEREST (ON PASSBOOK) — 25,000
4) LOAN FROM FIRST WOMENS BANK 12/1/78. 8½% INTEREST — 15,000

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
☐ Primary ☐ General ☐ Other		$	$	$

NATURE OF OBLIGATION (Details of Debt):

Full Name, Mailing Address and ZIP Code of Debtor or Creditor	Date (month, day, year)	Amount of Original Debt, Contract, Agreement or Promise	Cumulative Payment To Date	Outstanding Balance at Close of This Period
Primary ☐ General ☐ Other		$	$	$

NATURE OF OBLIGATION (Details of Debt)

SUBTOTALS this period this page (optional)	$	$	$
TOTAL this period (last page this line number only)	$	$	$

Carry outstanding balance only to appropriate line of summary

EXHIBIT G

APPENDIX E

RULE 9. (a) A complaint submitted to the Committee under clause 4(e)(2)(B) of Rule X of the Rules of the House of Representatives shall be in writing and under oath, setting forth in simple, concise, and direct statements—

(1) the name and legal address of the party filing the complaint (hereafter referred to as the "complaint");

(2) the name and position or title of the Member, officer, or employee of the House of Representatives alleged to be in violation of the Code of Official Conduct or a law, rule, regulation, or other standard of conduct;

(3) the nature of the alleged violation, including, if possible, the specific section of the Code of Official Conduct or law, rule, regulation, or other standard of conduct alleged to have been violated; and

(4) the facts alleged to give rise to the violation. When facts are alleged upon the information and belief of the complainant, the complaint shall so state and set forth the basis for such information and belief.

(b) All documents in the possession of the complainant that are relevant to and in support of the allegations shall be appended to the complaint.

(c) A complaint by a Member of the House of Representatives may be transmitted directly to the Committee. A complaint by an individual not a Member of the House may be transmitted through a Member who agrees, in writing, to accept it for that purpose. If a complaint by an individual not a Member of the House is submitted to three Members of the House who refuse, in writing, to transmit the complaint to the Committee, the complainant may transmit the complaint directly to the Committee, provided an affidavit is attached stating, under oath, the names of the Members to whom the complaint was submitted and by whom it was rejected in writing.

APPENDIX F

BEFORE THE

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

OF THE

UNITED STATES HOUSE OF REPRESENTATIVES

IN THE MATTER OF A

COMPLAINT BY THE WASHINGTON LEGAL FOUNDATION

AGAINST REPRESENTATIVE GERALDINE A. FERRARO

SUPPLEMENTAL EVIDENCE IN SUPPORT OF COMPLAINT

INTRODUCTION

On August 7, 1984, the Washington Legal Foundation (WLF or Complainant) lodged a formal legal complaint including Exhibits A-G with this Committee against Congresswoman Ferraro alleging violations by her of the Ethics in Government Act (EIGA) in the filing of her disclosure reports for each year from 1978-1983. The principal violations of the EIGA are three: (1) her failure to list her husband's assets, liabilities and transactions during the reporting periods; (2) her failure to list her children's assets, liabilities and transactions; and (3) misreporting or failing to report fully her own assets, liabilities, and transactions, as well as other required information such as income.

On August 20 and 21, 1984, Congresswoman Ferraro publicly released certain financial and other information including her and her husband's income tax returns from 1978 to 1983. The information released not only confirms some of the particular charges made by WLF, but also raises additional violations of EIGA such as her failure to report approximately $60,000 she received as income in 1978 from the sale of JEB Realty.

It should be first noted that despite her public statements that full disclosure has been made, Congresswoman Ferraro has yet to disclose her husband's holdings, liabilities, and transactions for the years 1978-1982 as required by EIGA. The EIGA does not require disclosure of income tax returns and such information is of little or no use in determining the information required by law, i.e., her and her husband's assets, holdings, and liabilities[*/]

The additional evidence provided herein is not to be construed as constituting another complaint against Congresswoman Ferraro but only as additional and supplemental evidence in support of WLF's initial complaint in order to assist the committee in its investigation.

[*/] The financial disclosure report filed by Congresswoman Ferraro on August 20, 1984 with the Federal Election Commission only listed the assets, liabilities, and transactions of her spouse from 1983. Wholly lacking is any such information for 1978-1982 as required by law. Such information may also help to explain how she and her husband attained a net worth of $3.8 million while reporting a combined taxable income for 1974, 1975, 1976, and 1977 to be only $29,000 on the average for each year. See 1978 Schedule G attached hereto as Exhibit H.

Inasmuch as Congresswoman Ferraro has not publicly proffered any reasons justifying her failure to report the substantial financial holdings of her dependent children from 1978-1982, Complainant will focus this supplemental filing on her failure to report her husband's assets, liabilities, and transactions, as well as the misreporting of her own financial information.

I. FAILURE OF CONGRESSWOMAN FERRARO TO DISCLOSE HER SPOUSE'S ASSETS, LIABILITIES AND TRANSACTIONS

As originally charged by WLF, Congresswoman Ferraro has failed to disclose her husband's assets, liabilities and transactions for the years 1978-1983. WLF has charged that she is not entitled to be exempted from reporting her husband's financial information since she does not meet the three criteria under 2 U.S.C. §702(d)(1)(D), i.e. (1) that she has "no knowledge" of the items; (2) that such items were not derived from her income, assets, or activities, and (3) that she derives, nor expects to derive any benefit from them.

None of the information provided by Congresswoman Ferraro since the filing of WLF's complaint or public statements made by her or her agents entitles her to the spousal exemption. If anything, WLF's charges have been further corroborated, and in some cases established conclusively.

Congresswoman Ferraro has repeatedly claimed in public that she is entitled to the exemption, stating that she has consistently "checked the box" on her disclosure forms certifying to the applicability of the three criteria. The principal justification for her position is that she and her husband have separate financial lives as evidenced by their filing of separate tax returns since 1979.

This purported reason is faulty for a number of reasons. In the first place, the filing of separate tax returns is irrelevant in determining whether the reporting individual meets the three statutory criteria. Rep. Ferraro has benefited or expects to benefit from her husband's assets, regardless of the filing of separate returns. She has specific knowledge of her husband's assets that she has failed to report, such as joint bank accounts, her husband's ownership of two-thirds of P. Zaccaro Company, Inc.,[*/] and his repurchase of her interest in the 231 Centre Street property after she had sold it in 1978 to repay the illegal loans from her husband and children's savings accounts to her campaign.[**/]

[*/] While it appears that Ferraro owns one share and her husband owns two shares of P. Zaccaro Co., Inc., she and her husband certified under penalties of perjury in August 1983 before the State of New York Insurance Department that she and her husband owned only one share each. See Exhibit I.

[**/] Even assuming that the filing of separate returns has some relevance in determining the spousal exemption, which it clearly does not, Congresswoman Ferraro filed a joint return with her husband in 1978, and by her own standard, is therefore not entitled to the spousal exemption for that year.

Further, on August 21, 1984, Congresswoman Ferraro seemed to contradict her repeated insistence that she felt sure that she was entitled to the spousal exemption since 1978. When asked by a reporter at her August 21, 1984 press conference held in New York City about the legitimacy of her claimed exemption, Congresswoman Ferraro, in a candid and revealing admission, stated:

> REP. FERRARO..."When I read that exemption, and I did it, believe it or not, as recently as last May when I filed on it [i.e. May 1984 for calendar year 1983], I said [to my husband], "Honey, you have to file disclosure." And he said, "No," he said, "take a look at the exemption." And I did. The exemptions talk about assets and liabilities. I read that as meaning do I get any income from his firm that I'm gonna have to address. Do I own any of that business...." [emphasis added]

This admission is remarkable in several respects. First, it belies her prior insistence that she felt that she was entitled to the spousal exemption every year since 1978. If Rep. Ferraro was so sure she was entitled to the exemption all these years, why was she approaching her husband as late as May 1984 telling him "you have to file disclosure" of his assets, liabilities and transactions? Did she have similar conversations with her husband in prior years expressing doubt about her entitlement to the spousal exemption?

Secondly, Rep. Ferraro's statement indicates that her husband prevailed upon her not to file or disclose his financial information. It is most revealing that her husband, the non-lawyer, is telling his wife, the lawyer and the Congresswoman that she is misreading the law and that his assets need not be disclosed.

Thirdly, her contention that she construed "assets and liabilities" to mean "income" is implausible for any experienced legislator and attorney. But even so, the answers to her rhetorical questions on the matter undercut her own position. Ferraro stated, "I read [the exemption] as meaning do I get any income from his firm that I'm gonna have to address. Do I own any of that business...." The answers to both of those questions is "yes," whereas a negative response would imply that she felt she was entitled to the exemption. Thus, even by her own reckoning, Rep. Ferraro could only conclude that she was not entitled to take the exemption.

For the reasons stated herein and in WLF's original complaint, it is clear that Congresswoman Ferraro was not entitled to the spousal exemption and that she herself recognized her ineligibility to such exemption as late as May 1984.

II. CONGRESSWOMAN FERRARO MISREPORTED OR FAILED TO REPORT FULLY THE REQUIRED INFORMATION OF HER OWN FINANCES

Besides the continued failure to disclose her husband's assets, liabilities, and transactions, WLF's complaint charged that Congresswoman Ferraro violated the Ethics in

Government Act by not fully reporting her own finances. Indeed, information released by Ferraro confirms the validity of WLF's charge that Ferraro under-reported the capital gain on the sale of the 231 Centre Street property.[*] The capital gain of $68,439 on the Centre Street property was originally reported on her 1978 income tax return as being only $6,189. She blamed the error on her accountant and paid the back taxes. However, a month after filing her original 1978 tax return, Ferraro filed her 1978 ethics disclosure report listing the gain to be between $15,000 and $50,000 which is more than what she had reported to the IRS but still less than the true amount.

A major item entirely omitted from her 1978 disclosure report under the income category was the capital gain of $58,646 she received on the sale of JEB Realty in 1978. The original Schedule D of her 1978 IRS return showed a capital gain of $58,646 attributed to her as the wife by the notation "(W)." See Exhibit J-1.[*] That she was an owner of JEB Realty is further confirmed by her reporting receiving $876 as interest income in 1978 from JEB Realty on her IRS Form 13. See Exhibit J-3. Thus, this is a triple violation since she failed to disclose as income the capital gain on the sale of JEB Realty, the interest she received from JEB Realty, as well as the transaction itself, i.e., the sale of JEB Realty.

---

[*] This property was sold to help repay the illegal loans from her husband for her 1978 campaign. At her August 21, 1984 news conference, a reporter asked why she would invest $25,000 of her money for the property a few days before she formally announced her candidacy for a race that eventually cost approximately $250,000. She responded that she did not think at the time that the race would be so expensive since prior races in Queens, N.Y. were not that expensive. However, an article in the New York Times Magazine, October 19, 1980 at 31 stated that the race cost $252,000, "only $2,000 more than she had estimated." Id.

Another item missing from her report which was required to be disclosed was her income from P. Zaccaro Co., Inc. For example, she reported in her 1981 income tax return that she received income of $2,962 from the P. Zaccaro Co., Inc. but failed to disclose that fact on her 1981 EIGA disclosure report.

Ferraro also failed to list as an asset the amounts owed to her by her campaign committee since 1978 which ranged from $170,000 in 1978 to approximately $50,000 today.

She also failed to disclose as holdings her ownership of four lots on Fire Island, New York held solely in her name and valued by her in her report filed with the FEC to be in the $100,000 to $250,000 range. While personal residences need not be disclosed, these four lots appear to be investment properties instead and thus should have been reported.

---

[*] The amended 1978 return filed on August 19, 1984 shows the gain on the sale of JEB Realty to be $61,259 instead of the earlier reported $58,646. See Exhibit J-2.

As for disclosing her positions as an officer in P. Zacarro Co., Inc., she reported in her Congressional reports for 1981, 1982, and 1983 that she was "Secretary and Treasurer." However, in the disclosure report filed with the FEC, it appears that she never was the Secretary or Treasurer of the Company, but rather was a Director since May 1971 and Vice President since November 1973. See Exhibit K. She either was the Secretary and Treasurer or she was a Director and Vice-President. These offices are clearly distinct from one another and there can be no excuse for her misreporting such basic and ascertainable information.

In addition, she failed altogether to list her positions with at least eight other corporations or organizations for the respective reporting periods. For example, she failed to disclose in her 1978, 1979, and 1980 disclosure reports that she was a director of the Freann Realty Corporation which was dissolved in 1980. See N.Y. Times Aug. 16, 1984, at B11, col. 3. She also failed to disclose her position in other organizations such as the Pension Rights Center. See Exhibit K. The law requires all such positions to be disclosed, including those of "any nonprofit organization ... or any educational or other institution."

CONCLUSION

For all the foregoing reasons and those stated in WLF's complaint and Exhibits, the Washington Legal Foundation submits that since 1978, there have been and continue to be numerous and substantial violations of the Ethics in Government Act by Representative Ferraro. Accordingly, it is in the public interest that this Committee take prompt action to investigate these apparent violations and to impose appropriate sanctions.

Respectfully submitted,

Daniel J. Popeo PDK
DANIEL J. POPEO
General Counsel

Paul D. Kamenar
PAUL D. KAMENAR
Executive Legal Director

September 11, 1984

WASHINGTON LEGAL FOUNDATION
1705 N Street, N.W.
Washington, D.C. 20036
(202) 857-0240

Subscribed and sworn to before me this 11th day of September, 1984.

Patricia M. Evans
NOTARY PUBLIC

My Commission Expires December 14, 1986

1040)
ment of the Treasury
nal Revenue Service

Income Averaging

▶ See instructions on pages 3 and 4.
▶ Attach to Form 1040.

1978

Name(s) as shown on Form 1040: JOHN A AND GERALDINE ZACCARO

Your social security number: 061 : 10 : 8534

Base Period Income and Adjustments	(a) 1st preceding base period year 1977	(b) 2d preceding base period year 1976	(c) 3rd preceding base period year 1975	(d) 4th preceding base period year 1974
1 Enter amount from: Form 1040 (1977)—line 34 Form 1040A (1977)—line 10	42,548.	▨	▨	▨
2 Multiply $750 by the total number of exemptions claimed in 1977	4,500.	▨	▨	▨
3 Taxable income (subtract line 2 from line 1). If less than zero, enter zero (see instructions)	38,048.	25,215.	21,508.	31,060.
4 Income earned outside of the United States or within U.S. possessions and excluded under sections 911 and 931				
5 If you checked, on your 1978 Form 1040, box {2 or 5 enter $3,200 / 1 or 4 enter $2,200 / 3 enter $1,600} {in columns (b), (c) and (d)}	▨	3,200.	3,200.	3,200.
6 Base period income (add lines 3, 4 and 5)	38,048.	28,415.	24,708.	34,260.

Computation of Averageable Income

7 Taxable income for 1978 from Schedule TC (Form 1040), Part I, line 3	7	86,581.		▨
8 Certain amounts received by owner-employees subject to a penalty under section 72(m)(5)	8			▨
9 Subtract line 8 from line 7	9	86,581.		▨
10 Excess community income	10			▨
11 Adjusted taxable income (subtract line 10 from line 9). If less than zero, enter zero			11	86,581.
12 Add columns (a) through (d), line 6, and enter here	12	125,431.		
13 Enter 30% of line 12			13	37,629.
14 Averageable income (subtract line 13 from line 11)			14	48,952.

Do not complete rest of form if line 14 is $3,000 or less. You do not qualify for income averaging.

G

Computation of Tax

15 Amount from line 13			15	37,629.
16 20% of line 14			16	9,790.
17 Total (add lines 15 and 16)			17	47,419.
18 Excess community income from line 10			18	
19 Total (add lines 17 and 18)			19	47,419.
20 Tax on amount on line 19*			20	14,170.
21 Tax on amount on line 17*	21	14,170.		▨
22 Tax on amount on line 15*	22	9,680.		▨
23 Subtract line 22 from line 21	23	4,490.		▨
24 Multiply the amount on line 23 by 4			24	17,960.
Note: If no entry was made on line 8 above, skip lines 25 through 27 and go to line 28.				▨
25 Tax on amount on line 7*	25			▨
26 Tax on amount on line 9*	26			▨
27 Subtract line 26 from line 25			27	
28 Tax (add lines 20, 24, and 27). Enter here and on Schedule TC (Form 1040), Part I, line 4 and check Schedule G box. Then go to Schedule TC (Form 1040), Part I, line 5			28	32,130.

*Caution: Use Tax Rate Schedule X, Y or Z from the Form 1040 instructions to figure your tax on lines 20, 21, 22, 25 and 26. Do not use tax tables.

Page 2 of Schedule G — DOES APPLY ☐ DOES NOT APPLY ☐

TRIPLICATE

EXH. H

License refused $80.00

License issued NOV 1 1983

License No 136495

ZACCARO P CO INC
218 LAFAYETTE ST
NEW YORK NY 10012

ZACCAR136495C

ZACCARO JOHN A P
ZACCARO GERALDINE A VP

RENEWAL NOVEMBER 1, 1983 - OCTOBER 31, 1985

If a corporation or partnership desires to designate an ADDITIONAL OFFICER, DIRECTOR OR MEMBER to act on its behalf, or if a REPLACEMENT of an active officer, director or member is contemplated, the proper form for use in applying for the requisite license SHOULD BE REQUESTED AT ONCE. The name and address of the proposed sub-licensee should be furnished.

FORM 907 D

See enclosed circular letter for information regarding correct amount of fee

STATE OF NEW YORK

Insurance Department

RECEIVED
N.Y. STATE INS. DEPT.
AUG 5 1983
ALBANY, N.Y.

APPLICATION FOR BROKER'S LICENSE

To the Superintendent of Insurance of the State of New York:

The UNDERSIGNED CORPORATION, being the holder of a license to act as broker, hereby applies for a like license for the period indicated above, and for that purpose submits the following statements and answers to the questions contained in this application:

1. Name of applicant P. Zaccaro Co., Inc.
(Print or typewrite corporate name in full)

2. Principal insurance business address 218 Lafayette Street
(Street and number)
New York (City or village) NY (County) NY (State) 10012 (Zip Code)
(If principal business address is changed, notify the Insurance Department in writing immediately)

3. Give name *in full*, title of office and residence of *each* of applicant's officers and directors.

Name	Title of Office	Residence Address
John A. Zaccaro	President	22 Deepdene Rd., Forest Hil New York, 11375
Geraldine A. Zaccaro	Vice President	22 Deepdene Rd., Forest Hil New York, 11375

(Advise immediately, in writing, of any change in officers or directors)

4. Give names *in full* of all officers and directors of applicant who desire to be named as sub-licensees (active officers and directors) in the license applied for herein.*
John A. Zaccaro P
Geraldine A. Zaccaro VP

*(If more than one officer or director is named, an additional fee for each such additional officer or director must be paid.)

5. Give names in full and addresses of all stockholders of record of applicant-corporation and total number of shares owned by each.

Name	Address	Number of Shares Owned
John A. Zaccaro	22 Deepdene Rd., Forest Hills	1
Geraldine A. Zaccaro	22 Deepdene Rd., Forest Hills	1

(If additional space is required, a separate sheet may be attached)

If any of such shares of stock is held by such stockholders in any capacity other than as beneficial owner, state name and address of each beneficial owner of such stock together with number of shares so held.

(If additional space is required, a separate sheet may be attached)

6. Give each line of business in which each stockholder is engaged, except where there are more than fifty stockholders, give the name, address, percentage of stock held and the business in which each of the ten largest stockholders is engaged.

John A. Zaccaro	Real Estate & Insurance
Geraldine A. Zaccaro	Attorney

(If additional space is required, a separate sheet may be attached)

EXH. I

*7.	Since execution and filing of its last application, has applicant, or any of its officers or directors, or any partnership or corporation, with which they are, or were formerly, connected, during their connection therewith, been charged with the violation of any law or been charged by any governmental agency or authority or others with irregularities of any nature?	No (Yes or No)
*8.	Since execution and filing of its last application, has applicant, or any of its officers or directors, or any partnership or corporation, with which they are, or were formerly, connected, during their connection therewith, been refused a license or had an existing one suspended or revoked, or been fined by any governmental agency or authority?	No (Yes or No)
9.	Since execution and filing of its last application, have any of applicant's officers or directors been arrested, or indicted for and/or convicted of any crime or offense other than traffic violations?	No (Yes or No)
	Full particulars of each case must be given and, if disposed of, attach certificate from the clerk of the court in which each case was tried, showing offense with which officer or director was charged and disposition made thereof.	
*10.	Since execution and filing of its last application, has applicant, or any of its officers or directors, either by sharing commissions or in any manner whatsoever, paid or allowed, or offered to pay or allow, an insured or an employee of an insured, any rebate?	No (Yes or No)
*11.	Since execution and filing of its last application, have more than 10% of the aggregate net commissions received by applicant-corporation resulted from insurance on the property and risks of the stockholders of applicant-corporation and their respective spouses, and of any affiliated and subsidiary corporations of applicant-corporation, and of any subsidiary and affiliated corporations of a corporation owning any interest in applicant-corporation, and of any firm or association and the members thereof and their respective spouses which either individually or collectively own more than 50% of the stock of applicant-corporation, and of any corporation of which such firm or association and its members and their respective spouses, either individually or in the aggregate, own more than 50% of the stock, and of any affiliated or subsidiary corporation of such corporation?	No (Yes or No)
12.	Does or will applicant keep all premium monies separate from other funds?	No (Yes or No)
	IF ANSWER IS "NO":	
	(a) Does or will applicant make immediate remittance of collections to insurers?	Yes (Yes or No)
	OR	
	(b) Does or will applicant have written consent from each and every insurer with which it places business to mingle insurance funds with other funds?	No (Yes or No)
	(If answer to "(b)" is "YES," such consents must be kept on file and available for inspection by the Insurance Department, upon request.)	
13.	Since execution and filing of its last application, has applicant negotiated or placed insurance on any risk located in New York State in an unauthorized insurer except through a licensed excess line broker?	No (Yes or No)
14.	Since execution and filing of its last application, has applicant referred to or placed any line or insurance on any risk located in New York State in an unauthorized insurer with an excess line broker?	No (Yes or No)

If "Yes," give names and addresses of excess line brokers.

Name	Address

*If answer is "Yes," to questions 7, 8, 10 and 11, give full particulars in an affidavit and enclose with this application.

Under the penalties of perjury (I) or (We) affirm that the statements made in the foregoing application are true and hereby subscribe thereto.

R. Zaccaro Co., Inc.
(Name of corporation)

By ....
(Signature of officer or director in full)

....
(Signature of officer or director in full)

....
(Signature of officer or director in full)

....
(Signature of officer or director in full)

....
(Signature of officer or director in full)

This application must be signed here in full by *ALL* of the officers and directors of applicant named in the answer to question 4 above.

Dated August 2, 1983

Telephone No. 212-226-1212

Make Check Payable to Superintendent of Insurance

Form 1040)
Department of the Treasury
Internal Revenue Service

Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040.)

1978

Name(s) as shown on Form 1040: JOHN A & GERALDINE ZACCARO

Your social security number: 061 30 8534.

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less

D

a. Kind of property and description (Example, 100 shares of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 19)	f. Gain or (loss) from all sales during entire tax year (d less e)	g. Enter gain or (loss) from sales after 10/31/78
1						
ONE HALF INTEREST — [illegible]						
231-35 CENTER ST	5-1-78	10-5-78	96500	90311	6189	(W)
[illegible] - 210 GRAND ST	1977	10 5-78	30000	35000	(5000)	(W)
[illegible] - 410 [illegible] ST. [illegible]		8-9-78		2500	(2500)	(H)
② 1st GRAND Co						

2 Enter your share of net short term gain or (loss) from partnerships and fiduciaries	2			
3 Enter net gain or (loss), combine lines 1 and 2	3	(1311)		
4 Short-term capital loss carryover attributable to years beginning after 1969 (see Instructions page 19)	4	( )		
5 Net short term gain or (loss), combine lines 3 and 4, column (f)	5	(1311)		

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year

a.	b.	c.	d.	e.	f.	g.
6						
JEB REALTY (FULL LIQUIDATION)					58646	(W)
16 E 92 ST	12-21-72	8-21-78	65009	38345	26664	(H)

×

7 Capital gain distributions	7			
8 Enter gain, if applicable, from Form 4797, line 6(a)(1) (see Instructions page 19)	8			
9 Enter your share of net long-term gain or (loss) from partnerships and fiduciaries	9			
10 Enter your share of net long-term gain from small business corporations (Subchapter S)	10			
11 Net gain or (loss), combine lines 6 through 10	11	85310		
12 Long-term capital loss carryover attributable to years beginning after 1969 (see Instructions page 19)	12	( )		
13 Net long-term gain or (loss), combine lines 11 and 12, column (f)	13	85310		

NOTE: *If you have capital loss carryovers from years beginning before 1970, do not complete Parts III, IV, or VI. See Form 4798 instead.*

Part III Computation of Capital Gain Deduction (Complete this part only if line 14 shows a gain)

14 Combine lines 5 and 13, column (f), and enter here. If result is zero or a loss, do not complete the rest of this part. Instead skip to Part IV, line 24 on page 2	14	83999
15 Enter line 13, column (f) or line 14, whichever is smaller. If zero or a loss, enter zero and skip to line 23	15	83999
16 If line 11, column (g) is a gain, combine lines 3 and 11, column (g), and enter here. If this line or line 11, column (g) shows a loss or zero, enter a zero and skip to line 20	16	0
17 Enter line 11, column (g) or line 16, whichever is smaller	17	0
18 Enter line 15 or line 17, whichever is smaller	18	0
19 Enter 60% of amount on line 18	19	0
20 Subtract line 18 from line 15	20	83999
21 Enter 50% of amount on line 20	21	42000
22 Add line 19 and line 21. This is your capital gain deduction	22	42000
23 Subtract line 22 from line 14. Enter this amount on Form 1040, line 14	23	41999

EXH. J-1

SCHEDULE D
(Form 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040.)

1978

Name(s) as shown on Form 1040

John A. and Geraldine Zaccaro

Your social security number

061 30 8534

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less

D

a. Kind of property and description (Example, 100 shares of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 19)	f. Gain or (loss) from all sales during entire tax year (d less e)	g. Enter gain or (loss) from sales after 10/31/78
1 one half interest-						
231-35CenterStreet	5-1-78	10-5-78	158,750	90,311	68,439	
Mortgage-230Grand	1977	10-5-78	30,000	35,000	(5,000)	
option Hester St.		5-9-78		2,500	(2,500)	
NYC						

		f	g
2 Enter your share of net short-term gain or (loss) from partnerships and fiduciaries	2		
3 Enter net gain or (loss), combine lines 1 and 2	3	60,939	
4 Short-term capital loss carryover attributable to years beginning after 1969 (see Instructions page 19)	4	( )	▨
5 Net short-term gain or (loss), combine lines 3 and 4, column (f)	5	60,939	▨

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year

a.	b.	c.	d.	e.	f.	g.
6 JES Realty (final liquidation)					61,259	
16 E. 92nd St.	12-28-74	8-21-78	65,009	38,345	26,664	

		f	g
7 Capital gain distributions	7		
8 Enter gain, if applicable, from Form 4797, line 6(a)(1) (see Instructions page 19)	8		
9 Enter your share of net long-term gain or (loss) from partnerships and fiduciaries	9		
10 Enter your share of net long-term gain from small business corporations (Subchapter S)	10		
11 Net gain or (loss), combine lines 6 through 10	11	87,923	
12 Long-term capital loss carryover attributable to years beginning after 1969 (see Instructions page 19)	12	( )	▨
13 Net long-term gain or (loss), combine lines 11 and 12, column (f)	13	87,923	▨

NOTE: *If you have capital loss carryovers from years beginning before 1970, do not complete Parts III, IV, or VI. See Form 4798 instead.*

Part III Computation of Capital Gain Deduction
(Complete this part only if line 14 shows a gain)

14 Combine lines 5 and 13, column (f), and enter here. If result is zero or a loss, do not complete the rest of this part. Instead skip to Part IV, line 24 on page 2	14	148,862
15 Enter line 13, column (f) or line 14, whichever is smaller. If zero or a loss, enter zero and skip to line 23	15	87,923
16 If line 11, column (g) is a gain, combine lines 3 and 11, column (g), and enter here. If this line or line 11, column (g) shows a loss or zero, enter a zero and skip to line 20	16	
17 Enter line 11, column (g) or line 16, whichever is smaller	17	
18 Enter line 15 or line 17, whichever is smaller	18	
19 Enter 60% of amount on line 18	19	
20 Subtract line 18 from line 15	20	87,923
21 Enter 50% of amount on line 20	21	43,961
22 Add line 19 and line 21. This is your capital gain deduction	22	43,962
23 Subtract line 22 from line 14. Enter this amount on Form 1040, line 14	23	104,900

EXH. J-2

URE TO COMPLETE PAGE 2

FORM 13 – DIVIDEND INCOME – 1978

TAXPAYER'S NAME JOHN A & GERALDINE ZACCARO P ACCOUNT N 11506

13	SCHEDULE 5 – DIVIDEND INCOME *IF SCHEDULE D IS NOT USED THE COMPUTER WILL CALCULATE 50% CAP GAIN DIST AS MISC INCOME	H W OR J	QUALIFYING	*CAP GAIN DISTRIBUTIONS	NONTAXABLE	NON QUALIFYING	PA STATE AMOUNT

RECAP TOTALS ONLY								
	TAXPAYER		TOTAL – TAXPAYER	11	12	13	14	23
	SPOUSE		TOTAL – SPOUSE	15	16	17	18	24
	JOINT		TOTAL – JOINT INC	19	20	21	22	25
	GROSS DIV							

FOR PTS USE ONLY 99

FORM 14 – INTEREST INCOME – 1978

14	SCHEDULE 6 – INTEREST INCOME	H W OR J	FEDERAL AMOUNT	STATE MODIFICATION
	BANK OF BABYLON	J	14	
	NEW ENGLAND MUTUAL	H	34	
	EAST RIVER SAV	J	1238	
	~~RIDGEWOOD SAV~~	W	1149	
	JEB REALTY	W	876	
	EAST RIVER SAV	H	759	
	SALTAIRE	H	11	

TAXPAYER	11 804	12	
SPOUSE	13 2025	14	
JOINT INC	15 1252	16	

FORFEITED INTEREST PENALTY FOR PREMATURE WITHDRAWAL

TAXPAYER	SPOUSE
17	18

FOREIGN ACCOUNTS AND FOREIGN TRUSTS

ENTER DIGIT 1 IF THE TAXPAYER(S) HAD A FOREIGN BANK ACCOUNT, ETC., DURING THE TAXABLE YEAR IF YES, SEE PAGE 3 OF IRS INSTRUCTIONS IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER 20

ENTER DIGIT 1 IF THE TAXPAYER(S) WERE GRANTORS OR TRANSFERORS OF A FOREIGN TRUST DURING THE TAXABLE YEAR IF YES ATTACH FORM 3520 ETC TO THE RETURN IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER 21

2

STATE MODIFICATION OF INTEREST INCOME

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ENTER NET MODIFICATION IN THE APPROPRIATE BOXES

FORM 13 – COPYRIGHT 1978 PROGRAMMED TAX SYSTEMS INC

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EXH. J-3

FOR PTS USE ONLY 99 1

EXH. K

POSITIONS HELD   Page 26   Schedule D

Name and Address of Organization	Type of Organization	Position Held	From	To
P. Zaccaro Co, Inc. 218 Lafayette St. N.Y., N.Y. 10012	Real estate management	Director Vice President	May 1971 Nov. 1973	Present Present
Marymount Manhattan College 221 East Seventy First Street N.Y., N.Y. 10021	Educational	Board of Trustees	Mar. 1984	Present
Merchant Marine Board of Visitors Maritime Administration U.S. Merchant Marine Academy Kings Point, N.Y. 11024	Educational	Board of Visitors	Feb. 1981	Present
The Pension Rights Center 1346 Connecticut Avenue, N.W. Washington, D.C. 20036	Educational	Board of Directors	Nov. 1983	Present
League of Italian Americans for the Arts P.O. Box 357 Great Neck, N.Y. 11021	Cultural	Advisory Committee	May, 1982	Present
National Italian American Foundation 666 11th Street, N.W. Suite 800 Washington, D.C. 20001-4596	Cultural	Board of Directors	May, 1983	Present
Institute for Art and Urban Resources 46-01 21st Street Long Island City, N.Y. 11101	Educational	Board of Directors	Oct. 1982	Present
Lexington School for the Deaf 30th Avenue & 75th Street Jackson Heights, N.Y. 11369	Educational	Board of Directors	Dec. 1980	Present
Mount Vernon College 2100 Foxhall Road, N.W. Washington, D.C. 20007	Educational	Member of Advisory Committee	1983	Present

APPENDIX G

NINETY-EIGHTH CONGRESS
LOUIS STOKES OHIO CHAIRMAN
NICK JOE RAHALL II W VA
ED JENKINS GA
JULIAN C DIXON CALIF
VIC FAZIO CALIF
WILLIAM J COYNE PA

FLOYD D SPENCE S C
BARBER B CONABLE JR NY
JOHN T MYERS IND
HANK BROWN COLO
JAMES V HANSEN UTAH
THOMAS J BLILEY JR VA

JOHN M SWANNER STAFF DIRECTOR

U.S. House of Representatives
COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT
Washington, D.C. 20515

APPENDIX G

September 12, 1984

HAND DELIVER

Honorable Geraldine A. Ferraro
U.S. House of Representatives
312 Cannon House Office Building
Washington, D. C. 20515

Dear Representative Ferraro:

By direction of the Committee on Standards of Official Conduct, we hereby notify you that the Committee has received a complaint from the Washington Legal Foundation alleging you violated House Rule XLIV (Financial Disclosure). Said complaint has been determined to fall within the jurisdiction of the Committee and merit further inquiry. A copy of the Complaint and Supplemental Evidence in Support of Complaint is enclosed.

The complete text of a resolution agreed to by the Committee at its meeting on September 12, 1984, is also attached, along with a copy of the Committee's Rules of Procedure.

Pursuant to Rule 11(a)(2)(A) of the Committee's Rules, you have the right "to present to the Committee, orally or in writing, a statement respecting the allegations with respect to which the inquiry is being held." If you wish to appear before the Committee to present oral testimony under oath, you must so inform the Committee within five days of the date of this letter, and a Committee meeting will be scheduled for the purpose of receiving that testimony. If you wish to present a written statement, it must be received by the Committee by 5:00 p.m., Friday, September 21, 1984. Failure to respond within these time limits will be deemed a waiver of your rights to present a statement during the preliminary inquiry.

Sincerely,

Louis Stokes
Chairman

Floyd Spence

Floyd D. Spence
Ranking Minority Member

CC: Anthony A. Lapham, Esq.
Stephen J. Pollak, Esq.

NINETY EIGHTH CONGRESS
LOUIS STOKES OHIO CHAIRMAN
NICK JOE RAHALL II W VA
ED JENKINS GA
JULIAN C DIXON CALIF
VIC FAZIO CALIF
WILLIAM J COYNE PA

U.S. House of Representatives
COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT
Washington, D.C. 20515

FLOYD D SPENCE S C
BARBER B CONABLE JR N Y
JOHN T MYERS IND
HANK BROWN COLO
JAMES V HANSEN UTAH
THOMAS J BLILEY JR VA

JOHN M SWANNER STAFF DIRECTOR

September 12, 1984

Whereas, a properly filed complaint has been put before the Committee on Standards of Official Conduct alleging violations of House Rule XLIV (Financial Disclosure) by Representative Geraldine A. Ferraro,

Now therefore be it Resolved, that the Committee determines pursuant to Committee Rule 10(b) that violations alleged in the complaint are within the jurisdiction of the Committee and merit further inquiry, and

Be it further Resolved, that this Committee conduct an inquiry pursuant to Committee Rule 11(a) to determine whether such violations have occurred, and that Representative Ferraro and the Washington Legal Foundation be immediately notified of this action.

Agreed to: 12 ayes
0 nays

APPENDIX H

BEFORE THE
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT
OF THE
UNITED STATES HOUSE OF REPRESENTATIVES

STATEMENT OF REPRESENTATIVE GERALDINE A. FERRARO RESPECTING THE ALLEGATIONS OF THE COMPLAINT OF THE WASHINGTON LEGAL FOUNDATION

Stephen J. Pollak
Anthony A. Lapham
Wendy S. White

Shea & Gardner
1800 Massachusetts Avenue, N.W.
Washington, D.C. 20036
202/828-2090

Attorneys for Representative
Geraldine A. Ferraro

October 1, 1984

TABLE OF CONTENTS

Page

I. INTRODUCTION 1

- A. The WLF Complaint 2
- B. Representative Ferraro's Financial Disclosures to Date 6

II. REPRESENTATIVE FERRARO REASONABLY AND CORRECTLY ASSERTED THE SPOUSAL AND DEPENDENT CHILDREN'S EXEMPTION 10

- A. Representative Ferraro's Section 102 Reports 10
- B. Financial Disclosure Under the Ethics in Government Act 11
  - 1. The Overall Statutory Reporting Scheme 12
  - 2. The Exemptions 15
  - 3. Pertinent Legislative History 16
  - 4. The Instructions Pamphlet and the Ethics Manual 21
    - a. Instructions Pamphlet 22
    - b. Ethics Manual 29
  - 5. The Instructions Attached to the Disclosure Forms 30
- C. The Grounds and Reasonableness of Representative Ferraro's Exemption Claims 32
- D. Historical Experience as to Use of the Exemption 44

Page

III. REPRESENTATIVE FERRARO MADE NO WILLFUL ERRORS, OMISSIONS OR MISREPRESENTATIONS IN HER DISCLOSURE FORMS IN THE YEARS 1978-1983 52

A. Sale of Her One-Half Interest in 231 Centre Street........................ 54

B. Mortgage on 124-26 Bowery Street............. 56

C. Bank Loans to Representative Ferraro in 1978.................................... 57

1. East River Savings Bank Loan.............. 57

2. First Woman's Bank of New York Loan.................................... 58

D. Dreyfus Liquid Fund......................... 58

E. Reporting of Honoraria...................... 59

F. Bond Holdings............................... 60

G. JEB Realty Corp............................. 61

H. P. Zacarro Co., Inc......................... 61

I. 1978 Campaign Committee Debt to Representative Ferraro..................... 63

J. Fire Island Lots............................ 66

K. Positions in Charitable and Educational Organizations.................... 67

IV. THE ALLEGATIONS AGAINST REPRESENTATIVE FERRARO ARE NOT SUFFICIENT TO WARRANT FURTHER ACTION BY THIS COMMITTEE.................. 69

A. Congressional Use of Its Self-Discipline Power............................ 70

1. Representative Robert L.F. Sikes.......... 71

2. Korean Influence Investigation............ 73

Page

3. Abscam.................................... 75
4. Representative Charles H. Wilson.......... 76
5. Representative Charles C. Diggs, Jr....... 76
6. Senator Edward W. Brooke.................. 78
7. Senator Herman E. Talmadge................ 80
8. Representative George V. Hansen........... 82

B. Evaluation of the Cases...................... 88

CONCLUSION.. 90

Index to Exhibits

Exhibit Number	Description of Document
1	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1978 dated September 30, 1984
2	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1979 dated September 30, 1984
3	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1980 dated September 30, 1984
4	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1981 dated September 30, 1984
5	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated September 30, 1984
6	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated September 30, 1984

Exhibit Number	Description of Document
7	Washington Legal Foundation, Annual Report, Letter of the General Counsel (1983)
8	Ethics in Government Act Report (Form 278) dated August 20, 1984
9	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1979
10	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1980
11	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1981
12	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1982
13	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1983
14	Geraldine A. Ferraro Form 1040X, Amended U.S. Individual Income Tax Return for the year 1983, dated May 10, 1984
15	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1979
16	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1980
17	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1981
18	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1982
19	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1983
20	John A. and Geraldine Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1978
21	John A. and Geraldine Zaccaro Form 1040X, Amended U.S. Individual Income Tax Return for the year 1978, dated August 19, 1984

Exhibit Number	Description of Document
22	Geraldine A. Ferraro Income Tax Summary, 1979-83
23	John A. Zaccaro Income Tax Summary, 1979-83
24	Summary Statements of Financial Condition, Geraldine A. Ferraro and John A. Zaccaro, dated July 31, 1984
25	Statement Concerning P. Zaccaro Co., Inc. dated August 20, 1984
26	Statement Concerning Certain Properties Managed by P. Zaccaro Co. dated August 20, 1984
27	Statement Concerning Ms. Ferraro's Repayment of the Family's Loans to her 1978 Congressional Campaign dated August 20, 1984
28	Press Conference Transcript, August 21, 1984
29	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1978 dated May 15, 1979
30	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1979 dated April 29, 1980
31	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1980 dated May 3, 1981
32	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1981 dated April 29, 1982
33	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated May 9, 1983
34	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated May 8, 1984
35	1978 Blank Financial Disclosure Statement with Instructions
36	1979 Blank Financial Disclosure Statement with Instructions
37	1980 Blank Financial Disclosure Statement with Instructions

Exhibit Number	Description of Document
38	1981 Blank Financial Disclosure Statement with Instructions
39	1982 Blank Financial Disclosure Statement with Instructions
40	1983 Blank Financial Disclosure Statement with Instructions
41	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated May 17, 1983
42	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated May 8, 1984
43	H. R. Rep. No. 94-1364, 94th Cong., 2d Sess. (1976) (Sikes Report)
44	H. R. Rep. No. 95-1817, 95th Cong., 2d Sess. 1978) (Korean Influence Investigation Report)
45	H. R. Rep. No. 96-930, 96th Cong., 2d Sess. (1980) (Wilson Report)
46	H. R. Rep. No. 96-351, Vol. I, 96th Cong., 1st Sess. (1979) (Diggs Report)
47	S. Rep. No. 96-40, 96th Cong., 1st Sess. (1979) (Brooke Report)
48	Staff of Senate Select Comm. on Ethics, Report on the Investigation of Senator Herman E. Talmadge (Vol. I) (Comm. Print 1980) (Talmadge Report)
49	H. R. Rep. No. 98-981, Vol. I, 98th Cong., 2d Sess. (1984) (Hansen Report)

STATEMENT OF
REPRESENTATIVE GERALDINE A. FERRARO
RESPECTING THE ALLEGATIONS OF THE COMPLAINT OF THE WASHINGTON LEGAL FOUNDATION

I. INTRODUCTION

This statement is submitted on behalf of Representative Geraldine A. Ferraro in connection with the resolution adopted by the Committee on Standards of Official Conduct on September 12, 1984, approving a preliminary inquiry based on a Washington Legal Foundation ("WLF") complaint alleging violations of House Rule XLIV respecting financial disclosure, and in response to the letter of the same date from the Chairman and the Ranking Minority Member advising Representative Ferraro of her right to present a written statement respecting the allegations in the WLF complaint.

Putting aside its obvious political purpose, the WLF complaint concerns the adequacy of the financial disclosure statements that Representative Ferraro filed as a member of Congress, for each of the years 1978-1983, pursuant to the requirements of Sections 101(a) and 102 of Title I of the Ethics in Government Act of 1978 ("the Act"), 2 U.S.C. §§ 701(a), 702, which apply to legislative branch personnel. As Representative Ferraro has publicly acknowledged, those statements ("Section 102" or "disclosure" statements) contained inadvertent and non-willful mistakes. None of those mistakes involved information that, had it been correctly reported, would have cast any cloud or suspicion on her integrity or performance of her public duties. As described below, she has redeemed her public pledge to correct those mistakes. The question to be answered by this Committee's preliminary inquiry is therefore whether, as the WLF evidently believes, these acknowledged and now corrected mistakes should be treated as actionable violations of House Rule XLIV, which incorporates the financial disclosure provisions of Title I of the Act, or rather, as Representative Ferraro believes, no actionable violation should be found and the matter closed without further proceedings.[1/] This statement will discuss the surrounding factual circumstances and the legal considerations that in Representative Ferraro's view are relevant to a determination of that question.

A. The WLF Complaint

The allegations in the WLF complaint, and the supplement to that complaint that the WLF filed with the Committee on September 11, 1984, divide into three parts. The allegations in the first part (Complaint at 3-10; Supplement at 3-6) deal with the spousal exemption claimed by Representative Ferraro in her

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1/ Representative Ferraro has filed today with the Clerk of the House amended disclosure statements for the years 1978 through 1983 correcting the errors and omissions she has been able to identify with the assistance of Arthur Young & Company, Certified Public Accountants. Copies of these amended statements are attached in a separately-bound appendix as Exhibits Nos. 1-6.

Section 102 statements for each of the years 1978-1983. The WLF contends that she was not eligible to claim that exemption in any one of those six years.

The second part (Complaint at 10-12) deals with the dependent children's exemption on which Representative Ferraro also relied, again wrongly according to the WLF complaint.

The allegations in the third part (Complaint at 13-17; Supplement at 6-9) concern a variety of items that either were included in one or another of the six statements, but were allegedly misreported, or that were not reported at all but allegedly should have been. The WLF complaint and its supplement also raise questions about still other items of reported information, which it suggests without exactly alleging must also have been misstated by Representative Ferraro.

All of the WLF allegations and questions will be taken up in the sections of this statement that follow, in the order in which they appear in the WLF complaint and its supplement. We will show first that the spousal exemption was validly claimed by Representative Ferraro or that at the very least she acted in good faith under a reasonable interpretation of the law. We will also show that WLF has misconceived the scope and meaning of the spousal exemption, which is hardly surprising given the ambiguities and contradictions in the statutory language itself, the absence of any relevant advisory opinions or judicial interpretations, and the inadequate and confused guidance that has been communicated or made available to members of Congress with respect to the exemption. The absolutist concept of the exemption advocated by the WLF -- that is, that if Representative Ferraro knew anything about any aspect of her husband's financial affairs, she was required to report every aspect of those affairs -- whatever might have been said for it in another age and social context, is utterly at odds with the current American reality respecting the role of women, the emerging place of women in public and political life, and the growing number of marriages in which both spouses pursue separate and independent professional careers.

We will present essentially the same points in regard to WLF's allegations having to do with Representative Ferraro's dependent children, because the Act makes financial information as to dependent children either reportable or exempt on the same basis and terms as financial information concerning a spouse.

We will then address one at a time WLF's allegations that apart from her allegedly invalid exemption claims Representative Ferraro either misreported or failed to report a variety of matters on one or another of her disclosure statements. Some of the charges in this category are simply erroneous, factually or legally or both. Others are true, in the sense that Representative Ferraro in fact did misreport or omit to report the particular matters involved. But what is not true in any instance is that any such failures were either deliberate or willful or that they concealed or were calculated to conceal improper conduct or conduct bearing on her integrity or performance of her public duties.

Not even the WLF, despite its political orientation and self-proclaimed close ties to the White House,[2] contends that this is a case involving any improper motive, or any underlying financial interest or transaction of a questionable character that Representative Ferraro would have had some reason, or might have had some intention, to conceal. Consequently, in the last section of this statement, we show, by reference to prior Committee and House and Senate precedents, that any further action by this Committee would be unwarranted and inappropriate.

Before turning to the specific allegations of the WLF complaint, however, it is important to keep in mind the context in which the complaint was filed and the sweeping financial disclosures that Representative Ferraro has already made -- not in response to the WLF complaint -- but in connection with her candidacy for Vice President.

2/ See the WLF's "Annual Report 1983," page 5, attached as Exhibit No. 7.

B. Representative Ferraro's Financial Disclosures to Date

Starting with her nomination on July 19, 1984, as the candidate of the Democratic Party to be Vice President of the United States, Representative Ferraro's financial affairs and the financial affairs of her family have been the subject of detailed public disclosure by her, ceaseless comment by her political opponents, and searching examination by the press. As a nominee for Vice President, Representative Ferraro became subject to certain provisions of Title II of the Act relating to executive branch personnel. Specifically, she was required by Section 201(c) of the Act to file, within 30 days of her nomination, a financial disclosure report containing the information prescribed by Section 202(b) of the Act. 5 U.S.C. app. at 994-1000 (1982 ed.). She filed that report ("Form 278") covering the 19-month period from January 1, 1983, through July 31, 1984, with the Federal Election Commission on August 20, 1984, but did not limit her disclosures to the information prescribed by Section 202(b). Instead, she included a Schedule B showing purchases, sales and exchanges of property dating back to January 1, 1983, and a Schedule C showing gifts and reimbursements dating back to January 1, 1983, even though none of this information was required to be disclosed. Likewise, in the remaining schedules, she included information not required to be disclosed.

At the same time, and again going beyond any legal requirement, Representative Ferraro released her own separate federal income tax returns for the years 1979-1983, the federal income tax returns of her spouse, John A. Zaccaro, for the same five-year period, and the joint federal income tax return and amended return that she and Mr. Zaccaro filed for the year 1978. In addition, she released summaries of both sets of separate tax returns for the 1979-1983 period, a current statement of her own and Mr. Zaccaro's financial condition, showing assets, liabilities, and net worth, and factual statements relating to several matters, including P. Zaccaro Co., Inc.[3]

Representative Ferraro has described the release of these materials as the most sweeping and comprehensive disclosure of financial information ever made by a candidate for national office, and so far as we know no other candidate or member of the press or the public, even the WLF, has stepped forward to dispute or deny that claim. Nor, so far as we know, have the personal and family financial affairs of any other candidate ever been the subject of a nationally televised press conference of the kind to

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3/ Copies of the Form 278 and the other materials Representative Ferraro released on August 20, 1984 are attached to this statement as Exhibits No. 8 (the Form 278), Nos. 9-19 (the ten separate tax returns), Nos. 20-21 (the 1978 joint return and amended joint return), Nos. 22-23 (the two summaries of the separate tax returns for the period 1979-1983), No. 24 (the joint statement of financial condition), and Nos. 25-27 (the several factual statements).

which Representative Ferraro submitted herself on August 21, 1984, for close to two hours. A full transcript of the press conference, in which Representative Ferraro dealt with some of the same matters raised by the WLF complaint and its supplement, is attached as Exhibit No. 28.

To aid in the preparation of the Form 278, and for the related purposes of preparing the statement of financial condition and reviewing the tax returns that she also elected to make public even though not compelled by any statute or regulation to do so, Representative Ferraro and Mr. Zaccaro, her husband, retained Arthur Young & Company, a nationally prominent certified public accounting firm. The decision to retain that firm was not just a wise precaution but an absolute necessity, because its services, including the interviews and examination of financial records that it conducted, were essential to the collection and compilation of the information that Representative Ferraro disclosed, both pursuant to statutory mandate and otherwise on August 20, 1984.

These circumstances are important to understand for three reasons: first, because Representative Ferraro's status as a nominee to be Vice President and her massive release of financial information on August 20, 1984, combined to put a spotlight of unprecedented intensity on the Section 102 statements that she had filed as a member of Congress for the years 1978-1983;

second, because the fact-gathering and review procedures employed by Representative Ferraro in relation to the Form 278, and in relation to the statement of financial condition and the tax returns that she released, brought to light certain mistakes in her Section 102 statements; and third, as will appear below, because these same fact-gathering and review procedures, followed by the release of the Form 278 and other materials, had the effect of making much of the information involved known for the first time not just to the general public but also, as that information related to the financial affairs of Mr. Zaccaro, known for the first time to Representative Ferraro.

At her press conference on August 21, 1984, Representative Ferraro committed herself to correcting any mistakes in her Section 102 statements that had come to light during the preparation of the Form 278, and any other mistakes that a further review of those statements might identify. See Transcript of Press Conference, Exhibit No. 28, p. 45. The engagement of Arthur Young & Company was continued for the purpose of assisting in that further review, which has now been completed. The results are reflected in the amended Section 102 statements that Representative Ferraro has filed today with the Clerk of the House. The filing of these amended statements represents a fulfillment of her press conference commitment.

II. REPRESENTATIVE FERRARO REASONABLY AND CORRECTLY ASSERTED THE SPOUSAL AND DEPENDENT CHILDREN'S EXEMPTION.

A. Representative Ferraro's Section 102 Reports

Representative Ferraro was elected to Congress for the first time in November 1978, and took her seat as a member of the Ninety-Sixth Congress in January 1979. On May 15, 1979, she filed her first financial disclosure statement as a member of Congress. She filed the required forms annually thereafter through May 1984. 4/

None of Representative Ferraro's Section 102 statements included any financial information regarding the asset holdings, liabilities, or property transactions of either Mr. Zaccaro or, except in the case of the statement for the year 1978, any of their dependent children. She omitted information of this type from all the statements because it was largely unknown to her and because she therefore believed herself to be exempt from any

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4/ The original Section 102 statements that Representative Ferraro filed with the Clerk of the House for the years 1978-1983 are attached to this statement as Exhibits Nos. 29-34. Blank copies of the disclosure forms that were in use in each of these years, together with the applicable reporting instructions, are attached as Exhibits Nos. 35-40. Copies of earlier amendments to the 1982 statement, filed on May 17, 1983, and to the 1983 statement, filed on May 8, 1984, both adding information relative to the dates on which honoraria were received in those years, are attached as Exhibits Nos. 41 and 42. Finally, as already noted, copies of Representative Ferraro's amended Section 102 statements filed today with the Clerk of the House are attached as Exhibits Nos. 1-6.

obligation to report such information, under the terms of the so-called spousal and dependent children's exemption set forth in Section 102(d)(1) of the Act.

Representative Ferraro herself made the year-to-year decisions to claim the exemption as to spouse and dependent children information in reliance on her interpretation of the applicable instructions attached to the disclosure forms. She neither sought nor obtained any outside legal advice in that connection.

In the following sections we will outline the reporting system of which Representative Ferraro's disclosure statements were a part, and discuss the spousal and dependent children's exemption she claimed. We will review the legislative history of the exemption and the various instructions which are relevant to its use. We will show that Representative Ferraro reasonably claimed the exemption. Finally, we will comment on the historical record of the exemption's use.

B. Financial Disclosure Under the Ethics in Government Act

The Ethics in Government Act became law on October 26, 1978, after two years of legislative consideration and debate. The financial disclosure provisions of the Act, while spread out over three titles applicable to personnel in each of the separate branches of government, have the common purpose of establishing a safeguard against conflicts of interest. In restated terms, the rules are aimed at minimizing, through public disclosure of financial information, the risk that public office will be used or exploited for private gain or advantage.

1. The Overall Statutory Reporting Scheme

On May 15 of each year, members must file with the Clerk of the House statements reporting 10 categories of information about their own financial affairs. Those categories are set forth in Section 102(a). Among the types of information to be reported are:

-- Under Section 102(a)(1)(A), "The source, type, and amount or value of [earned] income," other than government salary, "and the source, date, and amount of honoraria from any source, received during the preceding calendar year, aggregating $100 or more in value."

-- Under Section 102(a)(3), "The identity and category of value of any interest in property held during the preceding calendar year in a trade or business or for investment or the production of income, which has a fair market value which exceeds $1,000 as of the close of the preceding calendar year, excluding any personal liability owed to the reporting individual by a relative or any deposits aggregating $5,000 or less in a personal savings account."

-- Under Section 102(a)(4), "The identity and category of value of the total liabilities owed to any creditor other than a relative which exceed $10,000 at any time during the preceding calendar year," excluding any mortgage on a personal residence of the member or the member's spouse," excluding loans secured by a personal motor vehicle or certain other personal effects, and excluding certain revolving charge accounts.

-- Under Section 102(a)(5), "A brief description, the date, and category of value of any purchase, sale, or transfer during the preceding calendar year" involving an amount in excess of $1,000 and involving either real property, other than property used solely as a personal residence of the member or the member's spouse, or any forms of securities, but excluding transactions between members and their spouses or dependent children.

Subject to the minimum dollar thresholds stated in these provisions, below which there is no reporting obligation, this required information, other than earned income and honoraria reportable by exact amount, is reportable by categories of value that start at "not more than $5,000" and top out at "greater than $250,000." See Section 102(c)(1). Income that consists of dividends, interest, or rent, and that is derived from interests in property as defined in Section 102(a)(3), must also be reported, as must capital gains derived from transactions as defined by Section 102(a)(5), if that income or those gains exceed $100. See Section 102(a)(1)(B), which also sets up the categories of value in which such income or gains must be reported, starting with "not more than $1,000" and reaching a high of "greater than $100,000."

Among the other types of information required to be reported, in this instance by exact amount, are gifts from sources other than relatives. See Section 102(a)(2)(A)-(B). That is, intra-family gifts are excluded from reporting by this section, just as intra-family loans are excluded both as assets and liabilities under Sections 102(a)(3) and 102(a)(4), and intra-family transactions are excluded by Section 102(a)(5).

The obligation of members to disclose information as to the financial affairs of spouses and dependent children is governed by Section 102(d). That section makes the following categories of such information reportable:

-- Under Section 102(d)(1)(A), as to spouses only, the sources but not amounts of earned income exceeding $1,000, or in the case of self-employed spouses, only the nature of the spouse's business or profession.

-- Under Section 102(d)(1)(B)-(C), as to spouses only, the identity of the sources of gifts and reimbursements not received totally independent of the spouse's relationship to the member, a description of each such gift or reimbursement and in some cases the value of such gifts.

-- Under Section 102(d)(1)(D), as to both spouses and dependent children, all information required to be reported by Sections 102(a)(3)-(5) as to interests in property, liabilities, and transactions as described in those sections.

-- Under Section 102(d)(1)(A), as to spouses and dependent children, income exceeding $100 derived from reportable interests in property as described in Section 102(a)(3).

Unlike the obligation of members to disclose the specified information as to their own financial affairs, which is unqualified except for trust arrangements outlined in Section 102(e), the obligation to disclose information as to spouses and dependent children is subject to two exemptions, both set forth in Section 102(d).

2. The Exemptions

The broader of the two Section 102(d) exemptions, while not claimed or ever available to Representative Ferraro, is nevertheless significant because of the light that it sheds on the other Section 102(d) exemption that she did believe to be available to her and that she did claim. The broader exemption is found in Section 102(d)(2). It altogether eliminates any obligation to report any financial information respecting a spouse who is living apart from the member "with the intention of terminating the marriage or providing for permanent separation."

The other exemption, and the one that Representative Ferraro claimed, is found in Section 102(d)(1)(D). It absolves the member, with respect to "items described in [Sections 102(a)(3)-(5), relating to interests in property, liabilities and property transactions]," from any obligation to disclose such "items"

> -- "which the [member] certifies represent the spouse's or dependent child's sole financial interest or responsibility and which the [member] has no knowledge of";

-- "which are not in any way, past or present, derived from the income, assets, or activities of the [member], and"

-- "from which the [member] neither derives, nor expects to derive, any financial or economic benefit."

None of the key words or phrases in this exemption -- item, sole financial interest or responsibility, no knowledge, and financial or economic benefit -- is defined anywhere in the Act. But as will be seen in a moment, the absence of definitions is just the beginning of the problems facing a member in arriving at an understanding of what this exemption means or when it applies. Not the least of those problems is to see how the exemption could ever be given a workable meaning if the "no knowledge" criterion is to be taken at face value.

Whatever else the exemption may mean, however, it is clear enough that it was intended to apply in the case of at least some working marriages in which the spouses are living together, because the broken marriage situations are taken care of by the broader and separate Section 102(d)(2) exemption.

3. Pertinent Legislative History

As already noted, in its enacted form the more limited Section 102(d)(1) exemption involved a triple standard -- namely, (1) no knowledge of an "item" representing a spouse's or dependent child's sole financial interest or responsibility; (2) no derivation of such an item from the member, and (3) no benefit or expectation of benefit from the item by the member.

The second of these standards is of only minor significance in this case, because the WLF complaint does not seriously press the idea that Mr. Zaccaro's financial interests, or those of any dependent child, were derived from Representative Ferraro's income, assets or activities.[5/] The other two standards are important, however, and they will be referred to sometimes in this statement as the "knowledge" standard and the "benefits" standard.

A few words need to be said about the history of the exemption. The exemption was the product of a Conference Committee compromise between competing House and Senate versions of bills passed by the House on September 27, 1978, (H.R. 1) and by the Senate on June 27, 1977 (S. 555). As adopted by the House, the exemption was cast in terms closely resembling those ultimately approved by the Conference Committee, except that

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5/ The WLF touches this standard only once, with the lame contention that Mr. Zaccaro, as a two-thirds owner of P. Zaccaro Company, must have derived some interest of financial value from Congresswoman Ferraro's role as a one-third owner and as an officer and director of that company. See Complaint at 8-9. This contention is insupportable, probably even as a theoretical matter but certainly as a factual matter given Representative Ferraro's record of inactivity and non-involvement in the affairs of the P. Zaccaro Co. See the factual statement concerning that company attached to this statement as Exhibit No. 25.

there was no standard referring to knowledge at all, let alone any standard making lack of knowledge an exemption prerequisite.[6/] As adopted by the Senate, although again it closely resembled the final legislation in other respects, the exemption did include provisions having to do with knowledge. The Senate language would have exempted from any reporting requirement "any specific information concerning interests of a spouse or dependent if the reporting individual certifies to the supervising ethics office that: (A) he or she has no knowledge of such information; (B) he or she has made every reasonable

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6/ Section 103(d)(1)(D)(2) of H.R. 1 contained the following exemption language as to dependent children, which was duplicated exactly in another section dealing with spouses:

> "Each report shall also contain all information listed in paragraphs (4), (5), and (6) of subsection (a) respecting any dependent child of the reporting individual other than respecting items which the reporting individual certifies represent the dependent child's sole financial interest or responsibility and which are not in any way, past or present, derived from the income, assets, or activities of the reporting individual; and from which the reporting individual neither derives, nor expects to derive, any financial or economic benefit."

effort to obtain the required information from his or her spouse or dependent * * *."[7]

These differences between the House and Senate bills were not mentioned in the Conference Committee report, H. Rep. No. 95-1756, 95th Cong., 2d Sess., October 11, 1978, which included no explanatory comment whatever relating to the exemption and nowhere explained the reasons for the compromise that was reached. Nor was there any discussion of the exemption or the compromise when the Conference Committee report was considered in the House and Senate and the legislation went to final passage.

Without more to go on in the Conference Committee report, it is not readily apparent how that committee could have taken a House bill that had no exemption standard at all having to do with knowledge, and a Senate bill that spoke in terms of knowledge of "specific information," and come away with an exemption standard expressed flatly in terms of "no knowledge." As will become apparent below, this result and the "no knowledge" language in the exemption have produced some confusion, but, except on the part of the WLF which holds to an absolutely literal reading of this language, there appears to be widespread agreement that despite this language the exemption must be read to allow for some level of knowledge for otherwise it would be completely meaningless.

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[7] The complete text of the exemption in the Senate bill, Section 303(c)(2) of S.555, was as follows:

> "For the purposes of subsection (a)(3) and subsections (e) through (i) of section 302, a reporting individual shall also report the interests of the spouse or dependents of that individual: Provided, That a reporting individual shall not be required to report any specific information concerning interests of a spouse or dependent if the reporting individual certifies to the supervising ethics office that: (A) he or she has no knowledge of such information; (B) he or she has made every reasonable effort to obtain the required information from his or her spouse or dependent; (C) he or she derives and expects to derive no benefit from such interests; (D) and that such interests were not derived directly or indirectly from interests or income formerly owned or controlled by the reporting individual."

What does reflect itself clearly in the legislative history is that the Conference Committee eliminated any duty to obtain knowledge where none exists. The Senate bill would have imposed such a duty, in the form of a certification by a member or other reporting person claiming the exemption that "he or she has made every reasonable effort to obtain the required information from his or her spouse or dependent," but that idea was simply scrapped, probably for the very good reason that it would have encroached much too far on the marital relationship.

So far as concerns the benefits standard in the exemption, while there is evidence in the legislative history that it was intended to have broad effect, the standard cannot reasonably be read so broadly as to have the effect of nullifying the exemption altogether. This would be the practical outcome if the interpretation in the WLF complaint were to be accepted. Nor can this standard fairly be understood except in relation to whole fabric of the exemption, which by its terms is made available not on an all-or-nothing basis but rather on an item-by-item basis. See Section 102(d)(1)(D) of the Act. This is a point about which we will have more to say later.

4. The Instructions Pamphlet and the Ethics Manual

While the matter of the disclosure of financial interests of a spouse came up in the recent proceedings involving Congressman George Hansen, discussed below, and in a 1977 advisory opinion interpreting House Rule XLIV as it stood in its pre-Ethics Act incarnation,8/ the meaning of the exemption in the Act has never been litigated or construed in any advisory opinion. However, the subject of spouse and dependent children reporting and the exemption are treated in a pamphlet prepared by this Committee's staff in February 1980, Instructions for Completing Financial Disclosure Statement Required by Ethics in Government Act of 1978 for Use by Members, Officers, and

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8/ Advisory Opinion No. 12, Select Committee on Ethics, December 1, 1977, clarifying House Rule XLIV, as amended on March 2, 1977, including the requirement in that rule that spouse interests be disclosed if they were under the member's constructive control. Advisory Op. No. 12 is reprinted in the Ethics Manual for Members and Employees of the U.S. House of Representatives (1984) at 176.

Employees of the Legislative Branch ("Instructions"),[9/] and more briefly in the 1984 edition of the Ethics Manual for Members and Employees of the U.S. House of Representatives ("Ethics Manual") prepared at the direction of this Committee and in earlier editions of that manual.

a. Instructions Pamphlet

The February 1980 Instructions pamphlet elaborates on the meaning of the three exemption standards. In regard to the knowledge standard -- that is, the statutory condition that there be "no knowledge" of items of financial interest of a spouse or dependent child before the exemption can be claimed as to such items, the meaning ascribed is as follows:

> "The 'knowledge test' means that the reporting individual has no detailed or specific knowledge of a financial interest or responsibility of the spouse or dependent child. For example, if the reporting individual knows that his or her spouse has inherited stock in a number of different corporations, but does not know the identity of those corporations nor the extent of the stock holdings, the individual would be considered to have no knowledge of that financial interest for purposes of this exemption. If the other standards for exemption are met, there is no obligation on the part of the reporting individual to obtain the information necessary to disclose the

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9/ Representative Ferraro's counsel are informed that this pamphlet was approved by the then Chairman of the Committee but has never been formally considered or approved by this Committee as a whole.

> financial interests of the spouse or dependent." Id. at 5.

Leaving aside the last sentence, which implies that under some circumstances there is an affirmative duty to search out unknown information -- which is just the concept that Congress rejected when it passed the Act -- this view of the knowledge standard embraces the common sense idea that the statutory term of "no knowledge" must be understood as meaning no "detailed or specific knowledge." There could scarcely be any other rationally defensible view, because generalized knowledge of a spouse's financial affairs must surely exist in any working marriage, so that setting the standard at that level would in effect destroy the exemption. Furthermore, it would be mindless to suppose that the exemption ever could or would be exercised as to financial information about which a member had literally "no knowledge." In other words, an informed decision to claim the exemption necessarily requires enough information to make such a decision, a circumstance that is recognized by the wording of the applicable question on the disclosure forms themselves.[10/] Therefore, although it is true that the statutory "no knowledge"

[10/] That question, as it appears on the forms for the years 1979-83, is: "Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See instructions)" language is somewhat misleading, any reasonable and fair-minded interpretative response would rule out the premise of the WLF complaint, which is that the exemption can only be claimed in an information vacuum.

Unfortunately, what the Instructions pamphlet gives by way of common sense in its commentary on the knowledge standard it takes away in its commentary on the benefits standard, which it explains in these terms:

> "The 'benefit test' that must be met should be interpreted very broadly. This standard for exemption requires that the reporting individual 'neither derives, nor expects to derive, any financial or economic benefit from the item.' The individual would benefit if income from the holdings of a spouse or dependent was used, for example, for vacations, the education of dependents, the maintenance of a home, etc. In addition, the potential receipt of benefit from interests held by the spouse or dependent would apply if the reporting individual had the possibility of an inheritance from the interest. Thus, the benefit test should be construed quite liberally." Id. at 6.

The trouble with this interpretation is that it overwhelms the exemption, by endorsing an essentially limitless concept of benefits. Further, it cannot be squared with the basic statutory scheme contemplating a claim of the exemption on an item-by-item basis rather than in an all-or-nothing fashion. Finally, it would detract from rather than contribute to the fundamental objective of the Act, which is to lessen the risk of conflicts of interest.

There can be little room for doubt that over the six-year period covered by her Section 102 statements Representative Ferraro has enjoyed benefits, within the meaning of the commentary in the Instructions, derived from Mr. Zaccaro's financial interests. The same must certainly be true of any working marriage, unless the marital partners go to extraordinary and unnatural lengths and employ a fleet of bookkeepers to keep separate every aspect of their lives in which the financial resources of one spouse could possibly benefit the other. Representative Ferraro made this same point in her press conference on August 21, 1984, when she asked whether the law would insist that, in order to support a valid exemption claim, she and Mr. Zaccaro should have separate refrigerators.[11] The example suggested by that question is no more extreme than the examples given in the Instructions pamphlet commentary, all of which involve benefits of the kind that move back and forth in virtually every marriage. Indeed, to expand a bit further on one of the other examples cited in that commentary, assuming that a husband and wife did go to the extreme of always paying their own exact separate share of the expenses (travel, lodging, food, etc.) when they took a vacation together, even then it would not be clear that there had been no exchange of benefits, because absent sufficient financial resources on the part of both, the expenses could not be split. In that sense each would still be receiving a benefit from the financial resources of the other.

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[11] See Exhibit No. 28 at pp. 10-11.

In the Ferraro/Zaccaro marriage, as is probably not uncommon of other marriages in which both spouses are independently pursuing full-time professional careers, the economic benefits received by Representative Ferraro, attributable to her spouse, flowed from a pool of resources created by her spouse's business activities -- real estate investments and transactions in the case of Mr. Zaccaro. Representative Ferraro, in general, as we discuss below, knew little or nothing about those particular investments or transactions, except that collectively they had a favorable net result which was beneficial to her as well as to Mr. Zaccaro.

In such a circumstance, under the pamphlet instruction on benefits and the theory of benefits advanced in the WLF complaint, the Act would give rise to an across-the-board obligation to report detailed information on each of those particular investments, transactions, and even the liabilities that had combined, in what amounts and what proportions Representative Ferraro did not know, to produce that favorable net result. But that approach would defeat the right to claim the exemption selectively by item, because it would mean that if any routine economic benefit of a marriage were to be derived from the sum total of the items and activities potentially subject to the exemption, then all of the individual items and activities that were pieces of that total would become reportable. Such an outcome would be still more difficult to justify in light of the provisions of Sections 102(a)(2)(A)-(B) and 102(a)(3)-(5) of the Act, specifically excluding intra-family gifts, liabilities, and transactions from any reporting obligation of a member, even when such activities directly involve, and presumably might benefit, the member.

In addition, the approach taken by the Instructions pamphlet would revive, with a vengeance, the requirement discarded by the Congress when it passed the Act -- namely, the affirmative duty to make "every reasonable effort to obtain the required information" from a spouse or dependent child. The receipt of a single benefit, for example the deposit of a spouse's funds into a joint checking or savings account, could activate such a duty with respect to the whole range of a spouse's financial activities, even though that benefit and those funds were not traceable to any one of those activities as opposed to any other and even though the details of each of those activities were unknown to the member.

The root philosophy of the Act is that disclosure is the best way to deal with potential conflicts between the personal financial interests of a public official and the honest performance of public duties. In other words, disclosure is seen by the Act not as an end in itself but rather as a way of avoiding and controlling any temptation to use public office for private gain. Without knowledge, however, there can be no such temptation, and it therefore would be destructive of the Act's fundamental purposes to interpret the exemption, as the pamphlet instruction on the benefits standard seems to favor, so as to require that, where the details of a spouse's financial activities are unknown to a member, the member must become informed about those details just for the sake of being able to report them. Such an interpretation would be especially inappropriate if it were to come in the case of a member, such as Representative Ferraro, who has never been accused of any conflict of interest or misuse of public office and whose voting record is proof that she was never influenced by her spouse's real estate interests in the performance of her legislative duties.[12/]

[12/] As Congresswoman Ferraro noted in her press conference on August 21, 1984:

> "Check the National Realtors Association and find out what my rating is with those people over the last several years.

(Footnote continued on following page)

Counsel for Representative Ferraro are informed that the Instructions pamphlet is not circulated in regular course to the members, but rather is simply made available through the Clerk's office on request. Representative Ferraro has no recollection of ever having seen or asked to see that pamphlet, or even having been aware until the last few months that there was such a pamphlet.

b. Ethics Manual

Apart from the instruction sheets attached to the disclosure forms themselves, the only relevant guidance that has been circulated to members is the Ethics Manual. The 1984 edition of that manual, like its two predecessors, contains a short section on the matter of financial disclosure respecting spouses or dependent children. That section includes a four-line summary of the exemption which omits any mention of the "no knowledge" aspect of the exemption criteria and therefore appears to

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(Footnote continued from preceding page)

> "In the 96th Congress, according to the realtors in this Country, I voted against them 88-percent of the time. I voted against them in the 97th Congress 75-percent of the time.
>
> "Compare that with my senior citizens' rating which ran 100-percent."

Exhibit No. 28 at 12.

authorize an exemption with respect to financial interests as to which the member does have knowledge.[13]

5. The Instructions Attached to the Disclosure Forms

Members were first required to file Section 102 statements on May 15, 1979, Representative Ferraro's freshman year in the Congress, covering information for calendar year 1978. Instruction sheets were attached to the first year disclosure forms, just as they were in all subsequent years. The first year forms and instructions were both revised in the second year (the statements due on May 15, 1980, covering calendar year 1979) and have remained substantially constant ever since.

The first-year instructions on spouse and dependent children disclosure, see Exhibit No. 35, said simply that information respecting financial interests of a spouse or dependent children was to be reported in designated categories. However, as

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13/ The full text of the paragraph that summarizes the exemption is as follows:

> "All the information required to be disclosed by the reporting individual must also be disclosed in the report concerning the financial holdings, debts, and transactions in property or securities of such person's spouse and dependent children, other than those items which are certified to be the sole financial interest or responsibility of the spouse or child and of which the reporting individual neither derives nor expects to derive any financial or economic benefits." Ethics Manual at 115 (underscoring supplied).

to the information called for by Sections III, IV, and V of the form (interests in property, liabilities, and property transactions), the instruction was to "exclude items" meeting the three exemption standards, which were then quoted verbatim without any explanatory comment or elaboration. As noted below, however, the form itself did not include any question designed to elicit whether the exemption was being invoked.

The second-year instructions on spouse and dependent disclosure, unchanged in subsequent years, see Exhibits Nos. 36-40, commenced with the comment that:

> "In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in certain limited circumstances, the truly independent financial interests of a spouse or dependent would be exempt from disclosure."

The instructions then went on to say that disclosure of interests in property, liabilities, and property transactions (Parts III, IV, and V of the form) "is exempted when all three of the following circumstances are met," after which the statutory language was quoted and a note was added to the effect that if "the reporting individual does not disclose certain financial interests or liabilities of the spouse or dependent children because these three standards for exemption are met, he or she must so indicate in Part VIII of the Statement." In her Section 102 statements for the years 1979-1983, Representative Ferraro invoked the exemption by answering "Yes" to the Part VIII question referenced in the reporting instruction attached to the forms.

While the revised instructions were slightly more informative than their first-year counterpart, which read more like a direction to exclude exempted information, none of these instructions recited the explanations contained in the Instructions pamphlet discussed above, which in any event was not printed until February 1980. That is, nowhere in any of these instructions was there any advice that the benefits standard should be construed in the manner outlined in the pamphlet, let alone any advice that a member had a duty to investigate a spouse's financial affairs in order to obtain and report previously unknown information about those affairs. Nor, for that matter, are any of the instructions clear on the issue whether the exemption can be taken on an all-or-nothing basis or whether, as we believe to be the correct although not obvious procedure, it is to be claimed selectively on an item-by-item basis.

C. The Grounds and Reasonableness of Representative Ferraro's Exemption Claims

In this section of this statement, we show that the exemption claims asserted by Representative Ferraro were in accord with the letter and spirit of the Act and were reasonable, both as to her spouse and her three dependent children.[14/] The points of special importance in this regard have to do with the separation between the professional and financial lives of Representative Ferraro and Mr. Zaccaro, and, most critical of all, the principles and understandings around which their marriage has been organized. The most elemental kind of privacy concerns are obviously implicated by this latter subject, but the Committee's action in opening a preliminary inquiry, which necessarily must center on the issue of Representative Ferraro's knowledge of her husband's financial activities and affairs, has left her no choice but to give the Committee a window through which to look inside her marriage.

For his entire professional life, and his married life with Representative Ferraro, Mr. Zaccaro has been engaged in the real estate business in New York City. Over the years he has been active in that business both in his individual capacity, as an investor and as a broker in the purchase and sale of real estate, and as an officer and part-owner of corporations,

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[14/] Representative Ferraro and Mr. Zaccaro have three children, one of whom reached her majority on November 25, 1982, and has not lived in the family household since fall 1983. All three were dependent children, within the meaning of Section 107(7) of the Act, during the period covered by her Section 102 statements for the years 1978-82 and two remained dependent children through 1983.

principally P. Zaccaro Co., Inc., and Frajo Associates Inc., and as a participant in real estate partnerships.

P. Zaccaro Co. is now, and always has been since its founding in 1935 by Mr. Zaccaro's father, a small closely-held family business engaged primarily in real estate management operations. It has also operated, although less frequently than Mr. Zaccaro in his individual capacity, as a broker. As has been true at least since 1978, it owns no real estate. It has minimal assets and a record of either very modest earnings, or in some years losses. Representative Ferraro became associated in that business as a director in 1971 and an officer in 1973, and in September 1974 she became a one-third owner as a result of the transfer to her by Mr. Zaccaro's mother of one of the three outstanding shares in the company. At the same time the other two outstanding shares were transferred to Mr. Zaccaro by his mother. At no time did Representative Ferraro ever receive a salary from the company, and except for the period 1971-1974, when she maintained her private law practice in company office space and performed a few company-related functions outlined in Exhibit No. 25 attached hereto, she was never active in the company's day-to-day operations. Mr. Zaccaro has always exercised the sole responsibility for reviewing the company's financial statements and maintaining its books and records. Starting in 1974, when she became Assistant District Attorney in Queens

County, Representative Ferraro's role in the company became almost entirely nominal, notwithstanding her positions as officer and director and as a part-owner. See Exhibit 15. However, in some years, including two years covered by her Section 102 statements, she did earn reportable dividend income attributable to her ownership interest.[15/]

Frajo Associates Inc. is a real estate investment corporation that was wholly owned by Mr. Zaccaro's mother until 1980, when she transferred a 23.9 percent ownership interest to Mr. Zaccaro.[16/] Representative Ferraro has never been an officer or director of the corporation, and has never had an ownership interest. Nor has she ever had an ownership interest in any of the real estate partnerships in which Mr. Zaccaro has invested, or in any of the real estate properties, other than personal residences, owned in whole or in part by Mr. Zaccaro in his personal capacity. Nor has she ever received any income directly from Frajo Associates or from Mr. Zaccaro's other real estate investments.

15/ At not time did Representative Ferraro use the offices of P. Zaccaro Co. as her campaign headquarters, as WLF alleges. Complaint at 7. The office of P. Zaccaro Co. is in Manhattan and not in Representative Ferraro's congressional district. See Exhibit No. 25 hereto.

16/ This ownership interest increased to 30.55 percent in 1983. See Exhibit No. 8, p. 11.

Representative Ferraro has pursued a separate professional career as a private attorney, a prosecutor for Queens County, and beginning in 1977, as a candidate for political office and member of Congress. Each of those stages of her career has involved demanding full-time responsibilities. Only prior to 1974 did her career intersect with Mr. Zaccaro's real estate career, and then only sporadically, and since 1974 the two career tracks have been unconnected and independent[17/] Not only did the two careers not overlap professionally, but by and large Representative Ferraro did not mix socially with Mr. Zaccaro's business associates. That is to say, to whatever extent Mr. Zaccaro's business and social activities may have been intertwined, that practice did nothing to inform Representative Ferraro about his financial affairs, because she was equally an outsider on both fronts.

The separateness of Representative Ferraro's and Mr. Zaccaro's professional lives was also echoed by the separateness of their financial lives, which became more pronounced after her election to Congress. Even before being elected, she had maintained a separate checking account, funded by her own

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[17/] According to records on file in the Senate, Senator Paul Hatfield of Montana claimed the spousal exemption in his disclosure statement dated May 15, 1979, covering calendar year 1978, on the grounds that: "My spouse's assets were not obtained in any way from my assets. She was a practicing attorney prior to our marriage and continued her business ever since."

earnings and used to pay personal expenses.[18] Following her election she established another separate checking account (the account with the Sergeant at Arms of the House referred to on page 6 of the Form 278 attached as Exhibit No. 8), again funded exclusively by her own earnings and used to pay her personal expenses, including the expenses of the separate apartment that she rented in early 1979 in the District of Columbia. At about the same time, she established her own credit card accounts, on which she has always paid all billings with her personal funds, and she and Mr. Zaccaro decided that they would henceforth file separate income tax returns, as in fact they did starting with the returns filed in 1980 for tax year 1979. Representative Ferraro never had or sought access to any of Mr. Zaccaro's separate returns, which were revealed to her for the first time during the prepartation of the Form 278 in August 1984, just before they were also released to the public. Nor has Representative Ferraro ever had or sought access to any of the partnership or corporate tax returns filed by any of the real estate companies, including P. Zaccaro Co., in which Mr. Zaccaro has had financial interests.

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[18] The WLF complaint alleges that Representative Ferraro must have misclaimed the exemption to the extent that she and Mr. Zaccaro maintained any joint savings accounts. That allegation is incorrect. Such accounts, to the extent reportable at all, are reportable as a member's assets, because the joint nature of the accounts gives the member control of the funds. The existence of such accounts is thus a matter to be reported under the heading of a member's own financial holdings, not as a spouse holding.

While the WLF complaint dismisses the decision to file separate tax returns as an irrelevant consideration, the legislative history of the Act scarcely supports that view. For example, in the Senate debates on S. 555, in a colloquy about the exemption and particularly about the benefits standard, Senator Javits suggested that:

> "[P]erhaps a proper distinction might be the following, that where the husband and wife file a joint return, he is obliged to give all this information, but where the husband and wife file separate returns, then constructive trust rule applies." 123 Cong. Rec. S. 10757 (Daily ed., June 27, 1977).

Senator Ribicoff, the Senate manager of the legislation, expressed himself as being uneasy with such a flat distinction, but responded that:

> "I say that, to me, where the spouse really has an independent career, to a great extent is separate and apart from the Government official, and their life is on that type of level, I can understand that there was no connection. Where the official spends his time in the U.S. Senate, and has love and affection for his spouse who is completely independent, I can understand a certification. This would be acceptable, and I think our colleagues know that." Id.

Senator Ribicoff was not in disagreement that separate tax returns could make a difference in the application of the exemption, only that there should be no automatic distinction of the kind proposed by Senator Javits, and that all measures of independence, including career independence, should be considered.[19] See also Report of House Judiciary Committee together with Minority, Additional, Separate and Supplemental Views on H.R. 1, Ethics in Government Act of 1977, H. Rep. No. 95-800, 95th Cong., 1st Sess., page 107, in which several members joined in a supplemental statement referring to the potentially important impact of separate tax returns in administering the exemption.

In short, while we do not contend that the decision of Representative Ferraro and Mr. Zaccaro to file separate tax returns was of controlling significance in regard to her entitlement to claim the exemption, we do contend that it counts heavily in that regard, both because of what it signified about her lack of knowledge of Mr. Zaccaro's financial affairs and because of

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19/ Earlier in the same colloquy, Senator Percy remarked that:

> "This is a male institution as of now, but we are talking about the executive branch as well, and a great many employees there. We are talking about the problem that would be encountered when the administration seeks out, say, a wife of some prominent businessman, whose business affairs are very sizable. The wife is brought into Government at a very high level and requires his full and complete disclosure. This presents, I think, a considerable problem." 123 Cong. Rec. S. 10757 (Daily ed., June 27, 1977).

what it symbolized about their independence and her determination to set up a separate financial identity.

The ultimately important facts about the exemption claims, however, relate not to different career tracks and the distance that Representative Ferraro and Mr. Zaccaro put between themselves financially, although those facts are important, but rather to the operative realities of their marriage. As she has said publicly, in more colorful terms than she cares to repeat, Mr. Zaccaro is a strong-willed man who values his financial privacy not just in relation to the world but in relation to Representative Ferraro as well. Quite simply, his business activities, including his real estate investments and transactions and his debts, were not a topic of discussion within the marriage. Even less were they the subject of joint planning or shared decisions. The strength and success of the marriage has depended on Representative Ferraro's understanding and acceptance of this reality, which in any event she never had any inclination to reverse or modify given the full-time demands of her own career.

Even had Representative Ferraro seen the financial disclosure provisions of the Act as requiring her to reorient the internal structure of her marriage, which she did not, it is far from clear that Mr. Zaccaro would have been amenable to such a reorientation. The odds are very high that he would not have been amenable, just as he had a strong negative reaction to the idea of releasing his tax returns after Representative Ferraro received the Democratic Party's nomination to be Vice President, despite the fact, demonstrated on their release on August 20, 1982, that they showed nothing adverse about him or his activities.

In short, the items of financial information that Representative Ferraro would have been required to report had she not claimed the spousal exemption were not among the items of information that were shared within her marriage. Furthermore, even had the Act incorporated a duty of the sort that would have been imposed by S. 555 as that legislation passed the Senate but that was deleted by the Conference Committee -- namely, a duty to make "every reasonable effort to obtain the required information from his or her spouse or dependent" -- it is doubtful that her position on the exemption would have changed, because it is uncertain what level of effort would have been reasonable under the marital circumstances and because it is doubtful that at any reasonable level such an effort would have met with any success.20/

20/ For a case in which lack of knowledge was not even put forward at all as being among the grounds on which the spousal exemption was claimed, see the financial disclosure report of Senator John Warner dated May 15, 1979, in which the claim was explained on the basis that: "Pursuant to Pre-Nuptial and other agreements, the reporting individual has no constructive control."

As for her dependent children, their financial affairs, not extensive to begin with, were likewise largely controlled by Mr. Zaccaro, who made such investments on their behalf as he thought appropriate, without prior consultation or subsequent discussion with Representative Ferraro.

Obviously it is not now possible for Representative Ferraro to reconstruct an absolutely accurate picture of the knowledge she possessed about the financial interests of Mr. Zaccaro and her dependent children as of the dates, going back to May 15, 1979, when she filed her Section 102 disclosure statements. It may well be, for example, that she had small bits and pieces of information or had heard the names of properties in which Mr. Zaccaro was investing. But what she can say with assurance is that at all times she lacked detailed or specific knowledge of his business activities and his financial holdings and those of the children, that this circumstance was natural and even inevitable in the context of her marriage, and that she took the exemption believing herself entitled to do so for this reason, and also because that action corresponded to her own view of her independence and because it never occurred to her that the benefits standard might be construed so broadly as to undercut the exemption if a member received routine economic benefits characteristic of any working marriage.

In retrospect, and for the same reasons, Representative Ferraro continues to believe that her exemption claims were proper, and consequently her amended Section 102 statements, filed today with the Clerk of the House, continue to show those claims in the answers to the key question on Part VIII of the forms. In two respects, however, she has concluded that items of financial information as to Mr. Zaccaro and her dependent children should have been reported, and to that degree and that degree only she has withdrawn her exemption claims in order to include these items on her amended statements.[21]

The first of these previously unreported items concerns the ownership interest of Mr. Zaccaro in P. Zaccaro Co., Inc., and the category of value of that interest. Representative Ferraro agrees that this information probably must have been known to her as a function of her ownership after 1974 of a one-third interest, and therefore should have been reported, as it is

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21/ The amended statements also include the information required by Section 102(d)(1)(A), without regard to the spousal exemption, as to the sources of Mr. Zaccaro's earned income and, so far as he was self-employed, the nature of his business. This information should have been shown on all the original statements but was inadvertently omitted. It should be noted here that this information is not called for in so many words on the face of the forms, and the need to report it is only apparent from a close reading of the instructions, so that inadvertent mistakes are easy to make. Without knowing how many other members have spouses with earned income, it is impossible to know by reviewing the annual compilations of disclosure statements how many other members may have made this same indvertent mistake.

on the amended statements.[22] The other item that she agrees should have been reported notwithstanding her exemption claims, and that is also included on the amended statements, relates to the existence and category of value of the savings accounts for the dependent children at the East River Savings Bank as to which Mr. Zaccaro had signing authority.[23]

D. Historical Experience as to Use of the Exemption

The standard disclosure form that was in use for the year 1978, see Exhibit No. 35, did not include any question designed to elicit whether or not the spousal or dependent children exemption was being claimed. Nor did the 1978 form, or for that matter any of the different forms that were used in subsequent years, require that any reported items of financial information regarding a spouse or dependent child be separately identified -- that is, they did not require that items be broken down in such a way as to indicate which belonged to the member and which belonged to a spouse or dependent child.[24/] In consequence, there is no way to tell from the face of her Section 102 statement for the year 1978 that Representative Ferraro claimed the spousal and dependent children exemption, although in fact she did. Nor is there any way to tell, by reviewing the Section 102 statements filed for 1978 by other members of Congress, all of which are collected in a single bound volume just as they are for all subsequent years, how many of those other members, or which of them, claimed the same exemption that Representative Ferraro claimed. In other words, so far as anyone can tell without an investigation of facts outside those reported on the Section 102 statements, it is impossible to know whether Representative Ferraro was the only member of Congress to claim the exemption for the year 1978 or whether that exemption was claimed in that year by many if not most members of Congress.[25/]

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[22] So far as concerns any potential conflict of interest, the inclusion of this information on the original Section 102 statements would have added nothing of possible importance to the information actually reflected on those statements. That is true because Representative Ferraro disclosed her own correction with P. Zaccaro Co., so that it could hardly have mattered, for conflict of interest purposes, that her spouse also had an interest in that company.

[23] The other trust accounts for the dependent children that are mentioned in the WLF complaint (pp. 10-11), as to which Representative Ferraro was custodian and herself had signing authority, were reportable as her own holdings because of her control. These accounts therefore raise no exemption issue as to any failure to report dependent children information. In her statement for the year 1978, the interest income from these accounts was in fact reported, and in the other years, the accounts were included in her reporting of her holdings and interest income.

[24/] The reporting instructions applicable to the disclosure forms for the years 1979-1983 provided specifically that "the person reporting need not identify which items belong to a spouse or dependent."

[25/] A few members did separately identify spouse and dependent children items of financial information in their 1978 statements, so that in these few cases it is apparent that no exemption was claimed or at least that none was claimed in an across-the-board fashion.

Even if this Committee were to consider that she erred in claiming the exemption in her Section 102 statement for the year 1978, it would be far out of line to bring a charge against her for that error. Among other things, the Act was then in its infancy and Representative Ferraro had not been a member of Congress during the 1977-1978 period when the legislation was debated and passed. For another thing, it could not fairly be found that she misclaimed the exemption without also finding that the applicable reporting instructions, see pages 30-32 above and Exhibit Nos. 35-40 attached, which did nothing to illuminate the meaning of the exemption, were sparse to the point of being deceptive, and therefore that any error was excusable. And finally, because the disclosure forms were not drafted in such a way as to permit any calculation as to which or how many other members of Congress made the same mistake as Representative Ferraro, assuming she made any mistake at all, it would be grossly unfair to single her out, many years later, as the only member to be called to account for a lapse that, if it occurred at all, may have been commonplace.

As noted above, the different disclosure form that was placed into use for the year 1979, and that remained in use for all subsequent years, Exhibits Nos. 36-40, did include a question that called for an affirmation or denial that the spousal or dependent children's exemption was being claimed. That question asked as follows:

> "Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See instructions)"

The form made this question answerable "Yes" or "No," and Representative Ferraro invoked the exemption by answering "Yes" in her statements for each of the years 1979-1983. She was not alone among members of Congress in taking that action in any one of those years. Indeed, not only was she joined by others in taking this same action, but in each of these years an even larger number of members took no action one way or the other on the exemption -- that is, they responded to the first Part VIII question on the disclosure forms, which is the question relating to the exemption, by simply leaving it blank, without answering either "Yes" or "No" or even "Not applicable."[26/]

[26/] The February 1980 Instructions, state in the instructions on page 20 respecting Part VIII that the exemption question is to be answered "No" if the member "included all information required with respect to a spouse or dependent child," and "N/A" if the member "is unmarried or otherwise is not required to report such information." In other words, under all circumstances the question must be answered, and in no circumstances is it an appropriate or permissible response to leave the question blank.

A review of the annual compilations of the Section 102 statements filed by all members of Congress reveals the following statistical history:

-- In the statements for the year 1979, the exemption was claimed by 18 members, excluding Representative Ferraro, and 32 other members failed to answer the question calling for an indication whether or not they were claiming the exemption.

-- In the statements for the year 1980, the exemption was claimed by 22 members,[27] excluding Representative Ferraro, 39 other members failed to answer the exemption question, and 3 other members answered "not applicable."

-- In the statements for the year 1981, the exemption was claimed by 21 members, excluding Representative Ferraro, 46 other members failed to answer the exemption question, and 2 other members answered "not applicable."

-- In the statements for the year 1982, the exemption was claimed by 23 members, excluding Representative Ferraro, 41 other members failed to answer the exemption question, 2 other members originally left the question blank but answered it "No" in the amended filing, and 4 other members answered "not applicable."

-- In the statements for the year 1983, the exemption was claimed by 17 members, excluding Representative Ferraro, 17 other members failed to answer the exemption question, 23 other members originally left the question blank but

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27/ One member answered the exemption question "Yes" as to "Income" and "No" as to "Other."

> answered it "No" in a follow-up letter, 3 other members originally left the question blank but answered it "No" in an amended filing, and 3 other members answered "not applicable."

In total, the exemption has been claimed, by members other than Representative Ferraro, on 101 occasions over the 1979-1983 period,[28/] and on 177 other occasions over that period, other members have failed to indicate whether or not they were claiming the exemption. Further, for the reason already indicated -- namely, that reported financial items of members and their spouses and dependent children need not be separately identified -- it is unclear how much reporting of spouse and dependent children information was done by the great majority of members who did not claim the exemption in their statements for the years 1979-1983.[29/]

Representative Ferraro would not pretend to have an opinion, if only because she is unfamiliar with the personal

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[28/] This figure does not mean that the exemption was claimed by 101 separate members, because some claimed it more than once, just as Representative Ferraro did, but only that it was taken 101 times by one member or another.

[29/] Some members, although not very many, did separately identify spouse and dependent children items of financial information in their statements for the years 1979-1983, just as a few members did in 1978. See the annual bound compilations of the financial disclosure statements by members of the House. In all other cases, as allowed by the reporting instructions, any spouse or dependent children items were apparently combined with member items in such a way as to make it impossible to know how many of the former were included in the statements.

circumstances of other members, as to whether the exemption was properly claimed in the other instances in which it has been taken, or whether it might properly have been claimed in some instances in which it was not taken.[30/] However, if the exemption is as narrow as the WLF complaint suggests, and the benefits standard is as broad as indicated by the explanation in the February 1980 Instructions, it is not credible to think that there are any working marriages that would leave a member eligible to claim the exemption, let alone as many such marriages as would justify all the exemption claims that have been made. That is, if Representative Ferraro mistook the scope of the exemption and its eligibility requirements, then others must have done so as well.

Despite the fact that Representative Ferraro's exemption claims, and the similar claims made by others, were all openly reported on the disclosure forms, at no time have any of her claims, or as far as she knows the claims of others, been the subject of any challenge or question, until now. If the exemption really offers so little room to members, then one would expect that in the name of fairness the Committee would have taken some steps to alert the members that the exemption area was

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[30/] For the same reason Representative Ferraro is unable to comment on recent uses of the exemption by executive branch officials, including several of Cabinet rank.

dangerous territory and that any claims should be double-checked. As it is, however, apart from the February 1980 Instructions pamphlet which receives no regular distribution, and the Ethics Manual which suggests that no knowledge is not a precondition to claiming the exemption, members are left to their own devices with only such guidance as is reflected by the reporting instructions attached to the disclosure forms. As we have shown, these are much too limited to give adequate warning that the Committee might enforce an interpretation as restrictive as the one suggested by the WLF complaint.

Not only has there been no question raised before now about the assertion of exemption claims, there has been no effective enforcement even of the requirement that members indicate whether an exemption claim is being made at all. The evidence of that record of nonenforcement is the fact that on 177 occasions during the 1979-1983 period disclosure forms were filed without answers to the Part VIII exemption question. While the number of such incomplete forms declined in 1983, evidently as a result of the Committee's efforts to stimulate follow-up letters or amendments, the net effect of the reporting record over the 1979-83 period is that Representative Ferraro cannot tell, and the public cannot tell, how many members have actually made use of the exemption. Were it available, that information might well show that she had considerably more company in her exemption position than is now demonstrable, and this highlights to an even greater extent the inappropriateness of further action by this Committee.

III. REPRESENTATIVE FERRARO MADE NO WILLFUL ERRORS, OMISSIONS OR MISREPRESENTATIONS IN HER DISCLOSURE FORMS FOR THE YEARS 1978-1983.

In its complaint filed August 7, 1984, and the Supplement to the Complaint filed September 11, 1984, WLF alleges that Representative Ferraro misrepresented certain of her own financial affairs, in addition to its claims that she improperly asserted the spousal and dependent children's exemption. In this section we respond to each of the allegations.

WLF has alleged, by our count, 18 errors, omissions or misrepresentations in the financial disclosure statements filed by Representative Ferraro for the years 1978 through 1983. What we show in this section is that:

(1) Six of the allegations made are simply wrong -- the reporting was fully complete and correct;

(2) In six cases, the asset or income at issue was disclosed, but the value of the item was miscategorized (either overstated or understated) or the item did not appear on the form in the proper place;

(3) With respect to the allegations dealing with the positions held by Representative Ferraro in P. Zaccaro Co., Inc., Freann Realty Corporation, and other corporations or organizations, Ms. Ferraro disclosed but misdescribed her positions with P. Zaccaro, held no position with Freann Realty, and did fail to disclose her positions on the boards or committees of seven

educational or cultural organizations, such as Lexington School for the Deaf; and

(4) In five instances, omissions were in fact made --

(a) $7,779 of gross rental income from 231 Centre Street which, after related operating expenses were taken into account, constituted a loss (1978);

(b) A one-third interest in JEB Realty valued at $61,259 (a company which had been liquidated by year end (1978));

(c) Interest of $876 received from JEB Realty (1978); and

(d & e) Dividend income from P. Zaccaro Co. ($732 in 1980 and $2,962 in 1981).

In short, the WLF complaint correctly identifies five omissions on Representative Ferraro's disclosure statements and six cases where items disclosed were miscategorized or misplaced on the form. All of these mistakes were inadvertent and in no way intended or calculated to withhold information relevant to the evaluation of her performance of her public duties. While Representative Ferraro regrets and does not seek to avoid responsibility for these mistakes, she looked to her accountant, who also prepared her income tax returns, for assistance in completing her financial disclosure statements and relied heavily on the accuracy and completeness of his work.

A. Sale of Her One-Half Interest in 231 Centre Street

WLF's complaint alleges that Representative Ferraro sold her one-half interest in property at 231 Centre Street in lower Manhattan and underreported the capital gain on that transaction in her disclosure statement covering that year. Specifically, WLF asserts that her share of gain was $75,000 whereas the 1978 disclosure form in Section 1B listed capital gain of a range of value between $15,000 and $50,000. WLF also asks whether Representative Ferraro failed to report rental income received from this property. Complaint at 13-14.

As acknowledged by WLF in its Supplement, pp. 6-7, on August 20, 1984, Representative Ferraro disclosed the facts concerning the 231 Centre Street sale which she made in October 1978 in order to raise the funds needed to repay campaign loans from her husband and children then being questioned as improper by the Federal Election Commission. On August 20, 1984, she released her joint tax returns for 1978 and a detailed statement concerning the transaction. See Exhibit Nos. 20, 21 and 27 hereto.

The sum of the matter is that Representative Ferraro acquired a one-half interest in the parcel of land with a commercial building on it at 231 Centre Street pursuant to a purchase contract of January 12, 1978. She and the owner of the other one-half interest, Melro Company, bought the property for $175,500 on May 1, 1978. The seller took back a purchase money mortgage for $124,605. Of the remaining cash portion of the purchase price, $50,895, Representative Ferraro paid one-half.

After Representative Ferraro learned that the family loans had to be repaid, Mr. Zaccaro negotiated for purchase by Melro Company of Representative Ferraro's one-half interest in 231 Centre Street. The sale took place on October 5, 1978, and the net proceeds from the sale of Representative Ferraro's one-half interest were approximately $100,000 ($325,000 minus the mortgage of $124,600, divided by two).

Representative Ferraro's financial disclosure form for 1978 disclosed in Section V her sale of the 231 Centre Street property during 1978. The form understated her capital gain on this sale, listing the range of value as Category V, $15,000 to $50,000. As reflected in the amended federal income tax return she filed on August 20, 1984, and released the same day, Exhibit No. 21 hereto, her gain was $68,439, and the proper category of value for the report, accordingly, was Category VI, reflecting the range of $50,000 to $100,000.

In response to WLF's question concerning her receipt of rental income and the reporting thereof, she received gross rental income during 1978 from her ownership of the one-half interest in 231 Centre Street of $7,779. The report omitted this income from Section IB which should have shown it at a value of Category IV. Had the applicable instructions called for reporting of net rather than gross income, there would have been nothing to report since the operating expenses more than offset the gross rental income and produced a net loss.

The capital gain and gross rental income from the 231 Centre St. property are both accurately shown on the amended Section 102 statement. See Exhibit No. 1 attached hereto.

B. Mortgage on 124-26 Bowery Street.

WLF inquires whether Representative Ferraro failed to report any interest income that she received during 1978 from her half interest in the mortgage on 124-26 Bowery Street, also known as 230 Grand Street, that she owned during part of that year. Complaint at 14. There was no failure to report interest income because Representative Ferraro received none during 1978.

The facts are as follows: In November 1977 Representative Ferraro, upon putting up $35,000 as consideration, received by assignment from the National Bank of North America a 50 percent interest in a mortgage on the premises known as 124-26 Bowery Street. On October 5, 1978, Representative Ferraro assigned her 50 percent interest in the mortgage on 124-26 Bowery Street to Melro Company in consideration of the payment of $30,000.

Representative Ferraro received no interest income from her 50 percent ownership of the mortgage on 124-26 Bowery Street during 1978 and therefore had none to report on her financial disclosure report for that year.

C. Bank Loans to Representative Ferraro in 1978

Representative Ferraro borrowed $25,000 from the East River Savings Bank on October 23, 1978, and $15,000 from the First Woman's Bank of New York on October 31, 1978. Citing the existence of these loans, WLF asks as to each whether Representative Ferraro gave some form of collateral and, if so, was the asset given as collateral reported on her financial disclosure form for 1978. Complaint at 15.

1. East River Savings Bank Loan.

As provided in the note executed by Representative Ferraro for the $25,000 loan from the East River Savings Bank, she collateralized this loan with the joint savings account of herself and Mr. Zaccaro at that bank (account no. 3002820-3). At the time of the loan, the bank account had a balance exceeding the face amount of the loan.

Although Representative Ferraro reported interest on savings of Category II, reflecting an income of between $1,000 and $2,500 in her 1978 financial disclosure report, she did not report this savings bank account in Section III as an "interest in property" held during that year. Representative Ferraro's amended financial disclosure report for 1978 accurately lists this joint bank account in Section III as an interest in property of Category III of value in the $15,000 to $50,000 range. See Exhibit No. 1 attached hereto. It is important to note, however, that in properly reporting the interest income on the "savings" account, Representative Ferraro disclosed, albeit in a different section of the form, the existence of this asset during 1978.

2. First Woman's Bank of New York Loan.

As the note executed by Representative Ferraro for the $15,000 loan from the First Woman's Bank of New York attests, the loan was unsecured -- Representative Ferraro did not put up collateral -- and carried an interest rate of 11.58%. Accordingly, both questions asked by the WLF complaint are answered in the negative. Representave Ferraro did not use any asset as collateral for the loan and she did not fail to report on her 1978 financial disclosure form any asset used for that purpose.

D. Dreyfus Liquid Fund.

In Section III of her financial disclosure statement for 1982, Representative Ferraro reported a holding of an interest in the Dreyfus Liquid Fund of Category A reflecting a value of not more than $5,000. In the same statement she reported receipt of dividend income from an investment fund of Category B reflecting a value of $1,000 to $2,500. WLF's complaint inquires whether there was a discrepancy in the reporting of either the dividend or the amount of shares in the fund owned by Representative Ferraro. Complaint at 16.

Review of the facts reveals that she received dividends in the Category C range, $2,501 to $5,000, and that her holding in the Dreyfus Liquid Assets Fund during 1982 was in the Category C range, $15,001 to $50,000. Appropriate amendments to each report are being filed contemporaneously with this statement. Exhibit No. 5 hereto. Here, too, it is important to note that, while her report incorrectly categorized the asset, her disclosure form did reveal her ownerwhip of the Dreyfus Fund asset and her receipt of dividends from that asset. The discrepancy in the report stemmed only from the selection of the wrong category for the value of the asset and the income received during the year.

E. Reporting of Honoraria.

In her financial disclosure statement for 1982, Representative Ferraro reported a $500 honorarium received from the Washington Caucus for a speech. Upon being advised that the dates of receipt of honoraria had not been included in her report, she submitted an amendment on May 17, 1983, on which she reported the same total of $3,310 reported originally on May 9, 1983, for honoraria received during 1982 from seven entities. In place of the Washington Caucus, she listed Akin, Gump, Strauss, Hauer & Feld. WLF's complaint asks which entity was the source of this honorarium or was this a second honorarium. Complaint at 17.

There was only one honorarium received by Representative Ferraro in connection with her speech to the Washington Caucus in 1982. The source of that honorarium was the Washington Caucus with which one of the partners in Akin, Gump, Strauss, Hauer & Feld was a participant. It may be noted that

Representative Ferraro went beyond the requirements for disclosure of honoraria in her reports for 1981, 1982, and 1983, disclosing the existence and amounts of honoraria of less than $100.

F. Bond Holdings.

In her 1983 disclosure statement, Representative Ferraro reported in Section V, "Transactions," the following purchases of bonds:

$25,000	MAC bond	purchased 1/12/83
$25,000	N.Y.C. G.O.	purchased 1/13/83
$10,000	Gloversville	purchased 2/9/83

She also reported in Section III, "Holdings," her ownership during 1983 of these bonds, giving as to each the correct category of value. In Section IB, "Income," she reported receiving interest on bonds in the Category F range, $50,001 to $100,000. WLF asks how she could have earned such a sum from bonds purchased for only $60,000 and calls for an investigation. Complaint at 17.

No investigation is necessary. During 1983, Representative Ferraro received interest income on these three municipal bonds in the range of $2,501 to $5,000. Her form mistakenly listed Category F in place of Category C. The mistake was unintentional and not calculated to mislead anyone. The information shown on the face of the form was sufficient to alert anyone making inquiry -- as it did alert WLF -- that an inadvertent error had been made. The amended disclosure statement for 1983 filed today, Exhibit No. 6 hereto, correctly states the category of income.

G. JEB Realty Corp.

The joint federal income tax return for 1978 and amended return for that year voluntarily released by Representative Ferraro on August 20, 1984, disclosed that she received in that year interest income of $876 from JEB Realty and a capital gain on final liquidation of that corporation of $61,259. WLF's supplement correctly alleges that receipt of the interest was omitted from her disclosure form for 1978. Supplement at 7-8. The capital gain was taken into account in reporting in Section IB the income received on the "Sale of Property" but, as already noted, supra, p. 55, the value category was understated. The amended form for 1978 being filed contemporaneously herewith reflects this interest income and capital gain as well as Representative Ferraro's ownership of a one-third interest in JEB Realty, a Category IV holding of value between $50,000 and $100,000. See Exhibit No. 1 hereto.

H. P. Zaccaro Co., Inc.

Drawing upon Representative Ferraro's voluntary disclosures on August 20, 1984, WLF alleges that she failed to report income received from that company and also misreported positions she held in the company. Supplement at 8-9.

On August 20, 1984, Representative Ferraro issued a five-page statement concerning P. Zaccaro Co., Inc., Exhibit No. 25 hereto, which describes in detail the activities of this family real estate management and insurance business and Representative Ferraro's limited relationship with it. The short of it is that in the period 1978 through 1983 the business was conducted by Mr. Zaccaro with no day-to-day involvement of Representative Ferraro. As she explained on August 21, 1984, at her press conference respecting her financial disclosures, she held nominal positions as a director and vice president so that should her husband die -- as his brother and father had -- she would be in a position to carry on the licensed real estate and insurance brokerage activities conducted by Mr. Zaccaro. See Exhibit No. 28 at 5-6. The absence of any activity on her part in either capacity left her unaware of what offices she held, facts which were ultimately ascertained only when counsel consulted the company's records in preparation of the Form 278. These revealed that she became a director in 1971 and a vice president in 1973. Her financial disclosure statements for all years 1978-83 should have shown these offices rather than "officer" in 1978 and secretary and/or treasurer in other years. While the details were incorrect, her forms were in no sense misleading for they openly reflected her officership in the company. The fact that she mischaracterized the titles of her offices only serves to underscore how distant she was from the company's activities.

While correctly reporting her ownership share in P. Zaccaro Co., Inc., on her forms for 1980 and 1981, Representative Ferraro inadvertently failed to report small amounts of dividend income in each of those years. She earned $2,962 in 1981 and $732 in 1980 in dividend income from P. Zaccaro Co. which should have been reported in Section IB respectively as Categories C and A. In no other year during the 1978-83 period did she earn reportable income from P. Zaccaro Co. Appropriate amendments have now been made. See Exhibits Nos. 3 and 4 hereto.

I. 1978 Campaign Committee Debt to Representative Ferraro.

Next, WLF alleges that Representative Ferraro failed to list as an asset the amounts owed to her by her 1978 campaign committee which WLF asserts ranged from $170,000 in 1978 to approximately $50,000 today. Supplement at 8. This allegation is readily answered. There has been no failure to report. The financial disclosure requirements do not call for reporting of the balance due Representative Ferraro on her non-interest-bearing loan to her campaign committee.

The pertinent provisions of the Act and the various instructions implementing its disclosure provisions make clear that claims for repayment of non-interest-bearing loans to campaign committees are not "holdings" required to be reported. As we have indicated, the relevant statutory provision is Section 102(a)(3) of the Act which describes the contents of the report insofar as interests in property are concerned, and provides as follows:

> "(3) The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which has a fair market value which exceeds $1,000 as of the close of the preceding calendar year, excluding any personal liability owed to the reporting individual by a relative or any deposits aggregating $5,000 or less in a personal savings account. For purposes of this paragraph, a personal savings account shall include any certificate of deposit or any other form of deposit in a bank, savings and loan association, credit union, or similar financial institution."

The debt to Representative Ferraro arising from her loan of $170,000 to her 1978 campaign committee does not fit within this statutory language. While such a debt is reasonably described as an "interest in property," Section 102(a)(3) requires reporting of only those interests "held * * * in a trade or business, or for investment or the production of income * * *." The campaign committee debt fulfills none of these conditions. It was not held in a trade or business or for investment. It was non-interest-bearing and, accordingly, was not held for production of income. Thus, the debt was not required to be reported.

The instructions on the forms themselves with respect to the reporting of "holdings" appear to limit disclosure to interests held for commercial or investment purposes. Thus, the instruction on the forms called upon members to disclose any "interest in property held during the preceding calendar year in a trade or business or for investment or production of income." See Exhibit No. 35 hereto. A non-interest-bearing campaign committee debt lies outside this instruction.

The Instructions pamphlet prepared by the staff of this Committee in February 1980 and available on request by members reflects even more explicitly the statutory intent to limit reports to property held for commercial or investment purposes. After setting forth in bold type a full paraphrase of the statutory language of Section 102(a)(3), the Instructions explain that Section III "Holdings"

> "requires disclosure of all real or personal property in which the reporting individual holds an interest, other than property in the nature of household goods and furniture, automobiles, jewelry, paintings, or other personal property which is not principally held for investment or the production of income." Instructions at 14.

A non-interest-bearing debt of a campaign committee fits the description of "personal property which is not principally held for investment or the production of income" and is therefore not reportable. Confirming further this reading of the statute, the Instructions advise that "[o]ther non-reportable items include non-interest-bearing checking accounts * * *." Id. Representative Ferraro's non-interst-bearing campaign debt had attributes similar to a non-interest-bearing checking account and was therefore not reportable.

In sum, Representative Ferraro made no error or omission in not reporting her non-interest bearing loan to her 1978 campaign committee.

J. Fire Island Lots.

In her financial disclosure report (Form 278) filed August 20, 1984, and the "Summary Statement of Financial Condition" voluntarily released the same day, Exhibit Nos. 8 and 24 hereto, Representative Ferraro disclosed her ownership of a personal residence on Fire Island, New York, which she owned jointly with her husband and four contiguous lots which she owned solely in her own name. Recognizing that personal residences need not be disclosed, WLF alleges, without supporting facts, that the four lots appear to be investment properties and should have been reported. WLF is in error.

In 1970, Representative Ferraro and her husband acquired this summer home on Fire Island and they have held the home in joint ownership as a personal residence continuously since that time. In 1977, Representative Ferraro acquired four lots contiguous to the summer home for the purpose of affording that home the privacy which the family desired. The lots have been held continuously by her since their acquisition and have never been considered to be other than a part of the personal residence. At no time have the contiguous lots been offered for sale and at no time have they been considered income-producing property. Accordingly, there was no occasion for Representative Ferraro to treat the contiguous lots any differently from the

Fire Island summer home of which they were a part in making her financial disclosure reports.

That Representative Ferraro's treatment of these holdings was completely in accord with the Act is confirmed by the Instructions published in February 1980. These provide that "a summer home or other property which is held purely for recreational or vacation purposes, and is not rented at any time during the year, need not be reported." Instructions, p. 14. Like the summer home, the contiguous lots have been held purely for recreational or vacation purposes and have not been rented at any time during the period 1978 to date. No report was required.

K. Positions in Charitable and Educational Organizations.

Again drawing upon the diclosures made by Representative Ferraro on August 20, 1984, WLF alleges that she failed to list positions she held in at least eight other corporations or organizations. As an example, citing a New York Times article, it charges that she failed to disclose in her 1978, 1979, and 1980 disclosure reports that she was a director of the Freann Realty Corporation. Supplement at 9.

Representative Ferraro held no position as a director or officer of the Freann Realty Corporation in 1978, 1979, or 1980. The minute book of the corporation confirms this fact. Accordingly, no disclosure respecting positions in Freann Realty Corporation was required of Representative Ferraro.

Contrary to the allegation of WLF, other than her nominal positions with P. Zaccaro Co., Inc., Representative

Ferraro at no time during the period 1978 through 1983 held any positions with any business or other corporation. Thus, there were no corporate positions which she failed to report.

Representative Ferraro did hold at various times during 1980-1983 positions on the boards or advisory committees of seven educational or cultural organizations. These positions were inadvertently omitted from the reports she filed. Particularly, she should have disclosed that she held the following positions in her reports for the periods indicated:

Name of Organization	Type of Organization	Position Held	From/To
Merchant Marine Board of Visitors	Educational	Board of Visitors	Feb. 1981/Present
The Pension Rights Center	Educational	Board of Directors	Nov. 1983/Present
League of Italian Americans for the Arts	Cultural	Advisory Committee	May 1982/Present
National Italian American Foundation	Cultural	Board of Directors	May 1983/Present
Institute for Art and Urban Resources	Educational	Board of Directors	Oct. 1982/Present
Lexington School for the Deaf	Educational	Board of Directors	Dec. 1980/Present
Mount Vernon College	Educational Committee	Member, Advisory	1983/Present

IV. THE ALLEGATIONS AGAINST REPRESENTATIVE FERRARO ARE NOT SUFFICIENT TO WARRANT FURTHER ACTION BY THIS COMMITTEE.

As we have shown in Parts II and III above, Representative Ferraro (1) reasonably claimed the spousal and dependent children's exemption and (2) reported her own financial affairs without errors or omissions that were either willful or deliberate or that concealed conduct bearing on her integrity or performance of her public duty. She has, as promised, corrected the mistakes in her Section 102 filings. Under these circumstances, this matter should now be laid to rest, as there is nothing for the Committee to investigate and no justification for proceeding further.

Taking any other action is not only unwarranted but, as we describe below, would be unprecedented. We have reviewed each of the cases which have been before the Committee or its Senate counterpart in recent years and have found no case in which action has been taken against a member of Congress in a case such as this where allegations of misconduct amount to no more than charges of good faith mistakes. Rather, what the cases show is that Congress has restricted its use of its self-discipline power to cases where criminal conduct was involved or where the challenged conduct impaired or threatened to impair the member's proper performance of his public responsibilities. No claim is made here -- nor is there any basis for a claim -- that the alleged errors and omissions were intended to conceal or did conceal improper conduct of any kind.

A. Congressional Use of Its Self-Discipline Power

Article I, Section 5 of the Constitution provides: "Each House may determine the Rules of its Proceedings, punish its Members for disorderly Behaviour, and, with the Concurrence of two-thirds, expel a Member." This power of self-discipline has been used sparingly by Congress over the years, and has only been invoked in cases of egregious impropriety. Congress has the power to expel, censure, reprimand, fine or impose other punishments as it deems appropriate.[31] Yet in nearly two hundred years, the House of Representatives has expelled only four members -- three members were expelled for treason during the Civil War, and one member was expelled for bribery in connection with the "Abscam" investigation.[32] In the Senate, only 15 members have been expelled, and none since 1862.[33] Similarly, there have been few instances where members of Congress have been censured by their colleagues. Twenty-three Congressmen and seven Senators have been subject to censure, with such action being taken since 1900 against only five Congressmen and four

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31/ See Rule 17(b) of the Rules of Procedure, Committee on Standards of Official Conduct, United States House of Representatives, 98th Cong. (Jan. 27, 1983).

32/ Congressional Quarterly, Inc., Guide to Congress, 831 (3d ed. 1983).

33/ *Id*. at 829.

Senators.[34] Less severe sanctions -- such as reprimands and fines -- have been imposed in only a few cases.[35]

In recent history, we find that the House and Senate Ethics Committees have been called upon to investigate allegations of financial misconduct by members of Congress on eight occasions where investigations were completed and sanctions considered. Review of each of these cases shows that in all cases where a sanction was imposed the activity had been found to constitute egregious misconduct on the part of the sanctioned member.

1. Representative Robert L.F. Sikes

As set forth in the Report by the Committee on Standards of Official Conduct of the House of Representatives, H.R. Rep. No. 94-1364, 98th Cong., 2d Sess. (1979) ("Sikes Report"),[36] on or about April 6, 1976, 44 Members of Congress forwarded to the Committee a complaint submitted by Common Cause charging Congressman Sikes with engaging in activities in which he had a conflict of interest. Sikes Report at 1. See Exhibits 1 and 2 to Sikes Report at 34-191. Specifically, the complaint alleged that Congressman Sikes had failed to disclose stock ownership in Fairchild Industries, Inc., a major defense contractor doing substantial business with the federal government. Sikes Report at 40-42. The complaint further alleged that Congressman Sikes failed to disclose his ownership interest in the First Navy Bank, a bank that he had used his official position to help establish. Id. at 42-43. Finally, the complaint particularly alleged that Congressman Sikes had improperly voted on an appropriation involving Fairchild Industries, id. at 43-44, had used improper influence in assisting in the establishment of the First Navy Bank, id. at 53-57, and had received a personal benefit from sponsoring certain legislation, id. at 44-53.

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[34] Id. at 833; Congressional Quarterly, Inc., Almanac 581 (Vol. XXXIX 1983).

[35] Congressional Quarterly, Inc., Guide to Congress at 843.

[36] The Sikes Report, excluding exhibits, is included in the separately bound Appendix as Exhibit No. 43.

After investigating each of the allegations, the Committee found that Congressman Sikes had acted improperly in (1) failing to disclose his financial interests in Fairchild Industries and the First Navy Bank, (2) purchasing stock in the First Navy Bank during its period of organization, and using his official position to assist the bank in obtaining a charter and federal insurance of deposits; and (3) sponsoring legislation in 1961 to remove restrictions on land without disclosing that he would benefit personally from the legislation. Id. at 4.

The Committee recommended that Congressman Sikes be subject to reprimand. Id. at 4-5. The Committee found no intent to conceal the undisclosed information from the Congress or the public. It nevertheless found a sanction appropriate both for nondisclosure and for the other activities relating to the First

Navy Bank. Id. In context, it is clear that the Committee recommended reprimand, not alone because he failed to disclose certain interests but because the underlying undisclosed interests themselves were improper or suggested that improper conduct may have occurred. See H.R. Rep. No. 98-981, Vol. I, 98th Cong., 2d Sess. 390 (1984) ("Hansen Report"). Thus, the failure to disclose aggravated the serious conflict of interest allegations. The reprimand, then, which was ultimately adopted by the House, sanctioned Representative Sikes for conduct that specifically related to his performance of his official duties in Congress.

2. Korean Influence Investigation

In February 1977, the Committee on Standards of Official Conduct commenced an investigation into allegations that members of Congress had accepted money and other things of value offered by the Republic of Korea as part of a plan instituted by the Republic to influence the members' official conduct. H.R. Rep. No. 95-1817, 95th Cong., 2d Sess. (1978) ("Korean Influence Investigation Report").[37] After more than a year of investigating, the Committee concluded that there was sufficient evidence against four members to warrant issuing a Statement of Alleged Violations. See Korean Influence Investigation Report at 119. The Members were charged as follows:

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[37] The Korean Influence Investigation Report, Part I, is reproduced as Exhibit No. 44 in the separately bound Appendix.

> "Roybal was charged with failure to report the contribution; conversion of the contribution to his personal use; and two counts of giving deliberately false testimony under oath.
>
> "McFall was charged with accepting the gifts under circumstances which a reasonable person might construe as influencing him in his official duties; failing to report a campaign contribution; and converting the contribution to his personal use.
>
> "Wilson was charged with falsely denying that he had received a $1,000 cash wedding present from Park.
>
> "Patten was charged with passing off two contributions from Park to the Middlesex County Democratic Organization as his own." _Id_. at 58.

After public hearings, the Committee sustained all but one false testimony charge against Congressman Roybal; sustained only the charge of failure to report a campaign contribution against Congressman McFall; sustained the charge against Congressman Wilson; and exonerated Congressman Patten. The Committee recommended reprimand for Congressmen McFall and Wilson and censure for Congressman Roybal because he had deliberately lied to the Committtee. _Id_.

The House declined to follow the Committee's recommendation. Instead, it determined to reprimand all three Congressmen. Thus, in this case, the reprimand sanction was used to punish three Congressmen -- one of whom had been found to have lied to the Committee in the course of the investigation -- for participation in the plan of a foreign country to influence members of Congress in the performance of their legislative responsibilities. It was clear that simple nondisclosure was not at issue. Rather, the sanctions were imposed for serious misconduct in participating in a scheme that impinged on the integrity of the members and impaired their ability to perform their duties.

3. Abscam

In 1980, an FBI undercover operation implicated seven members of Congress of wrongdoing. The members were indicted and charged with bribery, conspiracy and interstate travel to aid racketeering. The House members were John W. Jenrette, Jr., Richard Kelly, Raymond F. Lederer, John M. Murphy, Michael "Ozzie" Myers, and Frank Thompson, Jr.; the Senator, Harrison A. Williams, Jr. Another House member, John P. Murtha, was named an unindicted co-conspirator.

The Abscam investigation led to the following congressional actions with respect to the seven members, each of whom was convicted of various charges: (1) Ozzie Myers was expelled from the House of Representatives on October 2, 1980, only the fourth Representative ever expelled and the first since the Civil War; (2) three others -- Representatives Jenrette, Lederer and Williams -- resigned from Congress to avoid almost certain expulsion; and (3) Representatives Kelly, Murphy and Thompson were defeated by their constituents before being convicted in court. The unindicted conspirator, Congressman Murtha, was cleared by the House Ethics Committee.

It is beyond dispute that this investigation involved the most serious misconduct impugning the integrity of the Congress.

4. Representative Charles H. Wilson

In 1979 and 1980, Congressman Wilson was found by the Committee on Standards of Official Conduct to have engaged in financial misconduct. H.R. Rep. No. 96-930 (Part I), 96th Cong., 2d Sess. 1-4 (1980) ("Wilson Report").[38/] The allegations against Congressman Wilson included payroll padding, accepting kickbacks from an individual with a direct interest in legislation before Congress, converting campaign funds to personal use, and testifying falsely under oath. Id. at 19-22. The Committee recommended that the Congressman be censured by the House for his conduct. Id. at 10-12. The House adopted the Committee's recommendation.

This case, too, was a case of egregious and willful misconduct by a member of Congress relating directly to the performance of his public responsibilities.

5. Representative Charles C. Diggs, Jr.

On October 7, 1978, Congressman Diggs was convicted in the United States District Court for the District of Columbia on

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38/ The Wilson Report, excluding dissents and appendices, is reproduced as Exhibit No. 45 in the separately bound Appendix.

11 counts of an indictment charging mail fraud and 18 counts charging the giving of false statements. He was sentenced to three years imprisonment. H.R. Rep. No. 96-351, Vol. I, 96th Cong. 1st Sess. 1 (1979) ("Diggs Report").[39/]

Thereafter, on March 21, 1979, an official motion to conduct an inquiry into the matter was adopted by the Committee on Standards of Official Conduct. On April 4, 1979, the Committee adopted a Statement of Alleged Violation. Id.

The basis of the charge against Congressman Diggs was that he initiated and operated a scheme to defraud the federal government by inflating the salaries of certain employees on his congressional payroll in order to enable them to pay certain personal expenses for the Congressman. Id. at 28-37.

Congressman Diggs admitted misuse of the "clerk-hire" allowance for his personal benefit and admitted that he was unjustly enriched thereby. Id. at 19. The Committee recommended censure and restitution as appropriate sanctions. Id. at 20. The Committee explained its recommendation as follows:

> "In determining the punishment of censure, which the Committee has recommended for the Member, various factors were considered. In granting each House the power to punish members 'for disorderly behaviour,' Article I, Section 5, specifically enumerates only the sanction of expulsion as a form of punishment. The framers of the Constitution

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[39/] The Diggs Report, excluding supplemental view and appendices, is reproduced as Exhibit No. 46 in the separately bound Appendix.

> recognized the severity of that sanction by requiring a two-thirds vote before it could be imposed. The Committee has previously observed that expulsion has been voted only three times, all occurring during the Civil War when Members left the House to join the Confederacy.
>
> "Next to expulsion, the precedents reveal that censure is the most severe form of legislative punishment. This sanction has been voted in the House only once during this century. Forms of punishment deemed less severe than censure, *e.g.*, reprimand or fine, have occasionally been imposed.
>
> "In recommending the censure of Representative Diggs, the Committee considered his admission of guilt of serious offenses against the House rules, his apology to the House therefor, his agreement to make restitution of substantial amounts by which he was unjustly enriched, and the nature of the offenses charged." *Id.* at 20 (footnotes omitted).

In sum, Congressman Diggs was censured by the House after he was convicted of criminal conduct and after he admitted that he had defrauded the government by using Congressional funds for his own personal use.

6. Senator Edward W. Brooke

On May 15, 1978, the Senate Select Committee on Ethics commenced an inquiry into certain disparities that had come to light between the financial statements submitted by the Senator in his divorce proceedings and the Public Financial Disclosure Statement he submitted to the Secretary of the Senate. See

Initial Review of Senator Edward W. Brooke, S. Rep. No. 96-40, 96th Cong., 1st Sess. 1 (1979) ("Brooke Report").[40]

After conducting an initial review, the Committee found:

> "Senator Brooke failed to report on his Confidential Senate Disclosure Statements numerous items which were required to be reported pursuant to Old Senate rule 44, although many of the omitted items were published by the Senate in the Congressional Record. Most of these omissions were due to the careless fashion in which the reports were prepared." Id. at 3.

In spite of its conclusion that Senator Brooke had failed to report "numerous" items on his public disclosure form, the Committee determined not to proceed further with the investigation. Two reasons for this determination are set forth in the Brooke Report section entitled, "Conclusion of Initial Review." First, the Committee found no further investigation warranted because Senator Brooke was no longer a member of the Senate. Beyond that, however, the Committee stated that no further proceedings were justified because "the Committee does not believe the violations mentioned in its Report are sufficiently serious to justify the severe disciplinary actions specified in Senate Resolution 338, as amended (for a Member, censure, expulsion or recommendation to the appropriate party conference regarding seniority or positions of responsibility)." Brooke Report at v.

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[40] The Brooke Report is reproduced as Exhibit No. 47 in the separately bound Appendix.

The nondisclosures at issue in the Brooke matter did not appear to have anything to do with the Senator's performance of his senatorial functions. Moreover, the omissions -- while numerous -- were not considered to be of a serious nature. Accordingly, after conducting an initial review -- comparable to the review undertaken here by this Committee -- no further action was deemed appropriate.

7. Senator Herman E. Talmadge

In June 1978, the Senate Select Committee on Ethics commenced an inquiry into certain matters relating to Senator Talmadge. Staff of Senate Select Comm. on Ethics, Report on the Investigation of Senator Herman E. Talmadge (Vol. I) (Comm. Print 1980) ("Talmadge Report").[41/] The initial review inquired into the following allegations: (1) the alleged overpayments by the Senate to Senator Talmadge on the basis of official vouchers submitted by Senator Talmadge; (2) the alleged failure of Senator Talmadage properly to report to the Secretary of the Senate campaign expenditures for his 1974 campaign as required by law; (3) the alleged failure of Senator Talmadge properly to report gifts, contributions and his interests in property as required by Senate Rule 44 effective from 1968 to 1977; (4) allegations that Senator Talmadge had failed properly to declare on gift tax returns gifts of securities he made to his ex-wife; (5) the

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[41/] The Talmadge Report, excluding appendices, is reproduced as Exhibit No. 47 in the separately bound Appendix.

allegation that the Senator had used improper influence in connection with certain private real estate transactions; and (6) the questions raised concerning the Senator's sources of cash. Talmadge Report at 4.

On December 18, 1978, the Committee determined to authorize a full investigation into each allegation, except the charge that Senator Talmadge engaged in improper conduct with respect to certain land transactions -- a charge that was dismissed. Id. at 4-5. After conducting an investigation, the Committee concluded that Senator Talmadge had engaged in improper conduct. The Committee then recommended that Senator Talmadge be sanctioned. It stated, however, that the circumstances were unlike earlier matters in which the Senate "censured" or "reprimanded" a Member. Id. at 18. Accordingly, it recommended that some other word be chosen to sanction the Senator's conduct. The Senate accepted this recommendation and voted to "denounce" Senator Talmadge. Id. at 16.

In short, the Senate found that Senator Talmadge had engaged in improper conduct of a serious nature involving overpayments to the Senator for travel expenses, nondisclosure of gifts which might have the appearance of placing the Senator in a conflict of interest position, improper use of campaign funds, and nondisclosure of campaign information showing use of funds to repay the Senator's own expenditures. The activities at issue all related to the improper receipt or use of funds by Senator

Talmadge in the course of performing his public responsibilities.

8. Representative George V. Hansen

The most recent proceeding before the House Committee on Standards of Official Conduct -- and perhaps the most important case to discuss in analyzing the matter now at issue -- concerned Congressman George V. Hansen. See H.R. Rep. No. 98-891, Vol. I, 98th Cong., 2d Sess. (1984) ("Hansen Report").[42/] Since WFL asserts that the matter now before the Committee is similar to the Hansen case, Complaint at 17, we discuss the Hansen proceedings in some detail to dispel any notion that the Hansen case resembles this one.

On April 2, 1984, Congressman Hansen was convicted on four counts of filing false statements in violation of 18 U.S.C. § 1001. Id. at 1. The four counts involved: (1) excluding from his Section 102 report his wife's indebtedness of $50,000 to a Dallas bank in 1979; (2) excluding from his Section 102 report his wife's profit of $87,475 from silver transactions in 1980; (3) excluding from his Section 102 report his wife's indebtedness of $61,503.42 to Nelson Bunker Hunt in 1981; and (4) excluding from his Section 102 report personal loans of a total of $135,000 form Carl McAfee, Odell Rodgers and John Meade in 1982. Id. at 302.

[42/] The Hansen Report, excluding appendices, is reproduced as Exhibit No. 48 in the separately bound Appendix.

Following the conviction, this Committee determined to conduct an investigation to find out whether any of the offenses for which Congressman Hansen was convicted constituted a violation over which the Committee had jurisdiction. Id. at 1. Special Counsel was appointed on April 5, 1984. Id. After conducting a preliminary inquiry, Special Counsel found that Congressman Hansen had acted improperly, in violation of House Rule XLIV (financial disclosure) and House Rule XLIII (failure to act in a "manner which shall reflect creditably on the House of Representatives"). In short, Special Counsel reported the facts as follows, Hansen Report at 302-343:

Congressman and Mrs. Hansen found themselves in considerable personal debt as a result of campaigns conducted by the Congressman in running for office. In an effort to pay off the debts, Congressman Hansen devised a plan to raise money. He determined to raise the money by soliciting contributions of $100 or less from individuals outside his congressional district. Congressman Hansen sought an Advisory Opinion as to the propriety of such action. In response, the Ethics Committee issued Advisory Opinion No. 11 on May 11, 1977, advising the Congressman that his plan was improper.

After receiving this advice, Congressman Hansen sought assistance from his attorney. Together, they determined that the way to proceed was to execute a property settlement agreement between the Hansens -- separating their financial affairs and transferring to Mrs. Hansen the personal debts he incurred in carrying on his campaign that they were trying to pay off. This agreement was executed in September 1977.

The property settlement agreement, however, never became a public document. It therefore had no impact on the right of creditors to continue to seek repayment from the Congressman. Moreover, after the execution of the agreement, the Hansens continued to live their financial lives together -- they had joint bank accounts, filed joint tax returns, and continued to hold various assets in their joint names.

After the agreement was executed, the four transactions that were the subject of the indictment occurred. First, the Hansens sought financial assistance from Nelson Bunker Hunt. Mr. Hunt advised Mrs. Hansen to engage in certain soybean transactions which ultimately produced a loss of $33,855 to Mrs. Hansen. To cover the loss, Mr. Hunt co-signed a $50,000 loan from a Dallas bank. The loan check was endorsed by both Congressman and Mrs. Hansen and deposited in their joint account. The funds were used by both for personal expenses. This transaction was not disclosed on Congressman Hansen's financial disclosure form.

Second, the $50,000 loan was not repaid by the Hansens. Ultimately, Mr. Hunt paid the bank $61,503.42 for principal and interest. This transaction also was not disclosed by Congressman Hansen.

Third, in 1979, Mr. Hunt assisted Mrs. Hansen in entering into a silver transaction which produced for Mrs. Hansen $87,000 in profit. The money was deposited in a joint account and used by Congressman Hansen. The transaction was not disclosed in the Congressman's financial statements. Nondisclosure was deemed particularly significant because, in the words of the Special Counsel, at the time of both loans and their repayment and the silver transaction, Mr. Hunt had an "open and notorious" interest in matters pending before Congress.

Fourth, in 1981, Congressman Hansen solicited and received loans in the amount of $135,000 from three Virginia businessmen. The loans were not disclosed in the Congressman's financial disclosure statements. At the time the loans were made, the three businessmen were involved with the development of a hydrogen powered automobile and wanted the Army to take an interest in the project. Congressman Hansen assisted the businessmen in getting an appointment with the Secretary of the Army and urged the Army to investigate the car.

In defending against the charges against him in the proceedings before this Committee, Congressman Hansen asserted that his activities were proper and were taken upon advice of counsel. Special Counsel found, however, that Congressman Hansen's defense was unpersuasive. He concluded that Congressman Hansen was not entitled to rely upon advice of counsel for the following reasons:

(1) Advice concerning the need to disclose these transactions was not sought in good faith, but rather was an attempt by the Congressman to find a basis for not disclosing the transactions;

(2) The Congressman was advised that he was required to disclose the transactions but he ignored this advice; and

(3) Congressman Hansen did not give either his counsel or the Ethics Committee sufficient information for either to be able to render advice as to the need for disclosure. Hansen Report at 319-22.

Accordingly, the Special Counsel determined that "Congressman Hansen willfully failed to disclose material information and did not have a reasonable 'advice of counsel' defense." Id. at 323.

In addition to finding that Congressman Hansen had violated House Rules by failing to make financial disclosures, the Special Counsel found further violations of House Rules. The Special Counsel found that the plan to transfer the Congressman's campaign debt to Mrs. Hansen and have her solicit funds for repayment was improper. Id. at 324. The Special Counsel found that Congressman Hansen had in effect accepted gifts from Mr. Hunt while Mr. Hunt had a direct interest in legislation pending before Congress and that this violated Rule XLIII, Clause 4. Id. at 325. Finally, the Special Counsel found that Congressman Hansen's transactions with Mr. Hunt and the three Virginia businessmen "certainly calls into question whether reasonable persons might construe acceptance of such largesse as influencing the performance of his governmental duties * * *."

Id. at 326. This appearance of conflict violated the Code of Ethics for Government Service, House Concurrent Resolution 175, 72 Stat. Pt. 2, B 12 (July 11, 1958) (Hansen Report at 325).

Based upon the findings of the Special Counsel, the Committee took two separate actions. On June 14, 1984, it found that Congressman Hansen had violated the House Rules providing for financial disclosure and requiring Congressional conduct to reflect creditably on the House and others. Hansen Report at 4. On June 20, 1984, the Committee then voted to recommend that Congressman Hansen be reprimanded for his financial disclosure violations since this was the basis of his criminal conviction. Hansen Report at 3, 4.

While Congressman Hansen was disciplined for failure to make financial disclosures that allegedly related to his wife's financial interests, the facts relating to Congressman Hansen's conduct do not resemble those at issue here, for the nondisclosure there was aimed at concealing underlying improper conduct.[43] Thus, having been advised that he could not himself solicit funds to repay personal debts, Congressman Hansen attempted to circumvent the advice by purporting to transfer the liabilities to his wife. The transactions at issue put the Congressman in a conflict of interest position with respect to his official duties. Under these circumstances, the Committee found a "willful" failure to disclose "material" information. For that reason, Congressman Hansen was subject to sanction.

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[43] The spousal exemption at issue in the instant proceeding did not appear to be at issue in the Hansen case. Congressman Hansen did not claim the exemption in the course of filing his Section 102 forms. Nor did he appear to rely on it as a defense in this Committee's proceedings. Rather, the exemption that Congressman Hansen relied on was that found in Section 102(d)(2) which relates to spouses living apart from the Member "with the intention of terminating the marriage or providing for permanent separation." Hansen Report at 311.

B. Evaluation of the Cases

In sum, analysis of these cases demonstrates that further action by this Committee against Representative Ferraro would be unwarranted an unprecedented. When disciplinary action was taken in the past, it was because there were allegations of grave misconduct that impaired a Member's performance of official congressional responsibilities.

The Committee has never taken action against a Member on the sole ground that the Member failed to make complete financial disclosure. Instead, where failure to disclose was at issue and action was taken, as occurred in the cases of Congressmen Sikes, Roybal, Wilson, McFall, Diggs, and Hansen and Senator Talmadge, there was always improper underlying conduct that the failure to disclose was calculated to conceal. Where only nondisclosure was present, as in the case of Senator Brooke, no action was taken beyond the intitial inquiry.

As we demonstrated in Part II above, Representative Ferraro reasonably claimed the spousal and dependent children's exemption. To the extent that the Committee might consider the availability of the exemption in doubt, however, there nevertheless is no basis for questioning that Representative Ferraro claimed the exemption in good faith, with neither the intent to conceal, nor the effect of concealing, any improper conduct.

As we further showed in Part III of this statement, the most that can be said of the remaining allegations against Representative Ferraro was that she made inadvertent mistakes in the preparation of her financial disclosure statements, none of which cast doubt on her integrity or performance of her Congressional responsibilities. Thus, there is no justification for taking further action.

Indeed, in the case, taking any further action would be particularly unfair. Congress is scheduled to adjourn sine die on October 4, 1984 -- only three days after this statement is submitted. It is therefore inconceivable that there would be time before the November election to resolve this matter in a responsible way other than in Representative Ferraro's favor. Were the Committee to act now to issue a Statement of Alleged Violation, Representative Ferraro would be deprived of an opportunity to demonstrate before the election that the charges were unwarranted and unfounded.

The WLF complaint was brought by a politicial group with self-proclaimed ties to one of the parties in the national election. The political fallout from any action now to bring charges against Representatiave Ferraro -- charges that would be left unresolved at the time of the election -- would be enormous. To rush to action in this atmosphere would not be consistent with the nonpartisan and responsible traditions of this Committee or serve the ethical concerns of the House of Representatives and the Act.

Thus, even if there were any doubt about what course to follow, this doubt should be resolved against proceeding further at this time. To do otherwise would not only be unprecedented, it would be uniquely unfair.

CONCLUSION

For the foregoing reasons, this Committee should conclude that there is no reason to believe that any violation of House Rule XLIV respecting financial disclosure has occurred and the matter should be closed without further proceedings.

Respectfully submitted,

Stephen J. Pollak
Stephen J. Pollak
Anthony A. Lapham
Anthony A. Lapham
Wendy S. White
Wendy S. White

Shea & Gardner
1800 Massachusetts Avenue, N.W.
Washington, D.C. 20036
202/828-2090

Attorneys for Representative
Geraldine A. Ferraro

October 1, 1984

BEFORE THE
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT
OF THE
UNITED STATES HOUSE OF REPRESENTATIVES

APPENDIX

TO

STATEMENT OF REPRESENTATIVE GERALDINE A. FERRARO RESPECTING THE ALLEGATIONS OF THE COMPLAINT OF THE WASHINGTON LEGAL FOUNDATION

Volume I

October 1, 1984

INDEX TO EXHIBITS

Exhibit Number	Description of Document
1	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1978 dated September 30, 1984
2	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1979 dated September 30, 1984
3	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1980 dated September 30, 1984
4	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1981 dated September 30, 1984
5	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated September 30, 1984
6	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated September 30, 1984
7	Washington Legal Foundation, Annual Report, Letter of the General Counsel (1983)
8	Ethics in Government Act Report (Form 278) dated August 20, 1984
9	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1979
10	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1980
11	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1981
12	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1982

Exhibit Number	Description of Document
13	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1983
14	Geraldine A. Ferraro Form 1040X, Amended U.S. Individual Income Tax Return for the year 1983, dated May 10, 1984
15	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1979
16	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1980
17	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1981
18	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1982
19	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1983
20	John A. and Geraldine Zaccar~~r~~o Form 1040, U.S. Individual Income Tax Return for the year 1978
21	John A. and Geraldine Zaccar~~r~~o Form 1040X, Amended U.S. Individual Income Tax Return for the year 1978, dated August 19, 1984
22	Geraldine A. Ferraro Income Tax Summary, 1979-83
23	John A. Zaccaro Income Tax Summary, 1979-83
24	Summary Statements of Financial Condition, Geraldine A. Ferraro and John A. Zaccaro, dated July 31, 1984
25	Statement Concerning P. Zaccaro Co., Inc. dated August 20, 1984
26	Statement Concerning Certain Properties Managed by P. Zaccaro Co. dated August 20, 1984

Exhibit Number	Description of Document
27	Statement Concerning Ms. Ferraro's Repayment of the Family's Loans to her 1978 Congressional Campaign dated August 20, 1984
28	Press Conference Transcript, August 21, 1984
29	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1978 dated May 15, 1979
30	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1979 dated April 29, 1980
31	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1980 dated May 3, 1981
32	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1981 dated April 29, 1982
33	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated May 9, 1983
34	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated May 8, 1984
35	1978 Blank Financial Disclosure Statement with Instructions
36	1979 Blank Financial Disclosure Statement with Instructions
37	1980 Blank Financial Disclosure Statement with Instructions
38	1981 Blank Financial Disclosure Statement with Instructions
39	1982 Blank Financial Disclosure Statement with Instructions
40	1983 Blank Financial Disclosure Statement with Instructions

Exhibit Number	Description of Document
41	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated May 17, 1983
42	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated May 8, 1984
43	H. R. Rep. No. 94-1364, 94th Cong., 2d Sess. (1976) (Sikes Report)
44	H. R. Rep. No. 95-1817, 95th Cong., 2d Sess. 1978) (Korean Influence Investigation Report)
45	H. R. Rep. No. 96-930, 96th Cong., 2d Sess. (1980) (Wilson Report)
46	H. R. Rep. No. 96-351, Vol. I, 96th Cong., 1st Sess. (1979) (Diggs Report)
47	S. Rep. No. 96-40, 96th Cong., 1st Sess. (1979) (Brooke Report)
48	Staff of Senate Select Comm. on Ethics, *Report on the Investigation of Senator Herman E. Talmadge (Vol. I)* (Comm. Print 1980) (Talmadge Report)
49	H. R. Rep. No. 98-981, Vol. I, 98th Cong., 2d Sess. (1984) (Hansen Report)

EXHIBIT NO. 1

UNITED STATES HOUSE OF REPRESENTATIVES

Office of the Clerk
Washington, D.C.

ETHICS IN GOVERNMENT ACT OF 1978 (2 U.S.C. §§ 701-709)
FINANCIAL DISCLOSURE STATEMENT

Geraldine A. Ferraro
(Full Name)

U.S. House of Representatives
Cannon House Office Building
(Mailing Address)

Washington, DC 20515

ID # ____________
(OFFICE USE ONLY)

☒ Check if this is an amended Statement.*/
*/ Amended to show information reportable as of original filing date (May 15, 1979).

INDIVIDUAL REPORTING STATUS

(Check one only)

☒ MEMBER OF U.S. HOUSE OF REPRESENTATIVES—DISTRICT 9 STATE NY

☐ CURRENT OFFICER/EMPLOYEE/PRINCIPAL ASSISTANT—EMPLOYING OFFICE ____________

☐ NEW OFFICER/EMPLOYEE/PRINCIPAL ASSISTANT—EMPLOYING OFFICE ____________

NOTE: Requirements for new officers/employees/principal assistants differ substantially from those of Members of Congress and current officers/employees/principal assistants. Please read Instructions on reverse side carefully.

September 30, 1984
(Date)

(Signature)

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. See 2 U.S.C. § 706 and 18 U.S.C. § 1001.

RETURN COMPLETED COVER PAGE AND STATEMENT (WITH 2 COPIES OF EACH) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

ETHICS IN GOVERNMENT ACT OF 1978—FINANCIAL DISCLOSURE STATEMENT

Name of Person Filing Geraldine A. Ferraro **Page** 1 **of** 2

NOTE: See reverse side for Detailed Filing Instructions and Exemptions. If additional space is required, use continuation sheets provided. *Complete all parts. (If None, so indicate)*

SECTION I

A. **INCOME** (including honoraria) from any source received during preceding calendar year aggregating $100 or more in value. Exclude income from current U.S. Government employment.

SOURCE	TYPE (salary, pension, honorarium, etc.)	AMOUNT/VALUE
Queens District Attorney	Salary	$6,904
Private Law Practice	Fees	$5,900
John A. Zaccaro (spouse) real estate broker. He received salary from P. Zaccaro Co., Inc.		

B. **INCOME** from dividends, interest, rent, capital gains including trusts or other financial arrangements, received during the preceding calendar year exceeding $100 in value. NOTE: For Section I.B. indicate Category of Value: Category I—$100.01–$1,000; II—$1,000.01–$2,500; III—$2,500.01–$5,000; IV—$5,000.01–$15,000; V—$15,000.01–$50,000; VI—$50,000.01–$100,000; VII—Over $100,000.

SOURCE	TYPE	CATEGORY OF VALUE (I, II, III, IV, V, VI, VII)
See schedule attached.		

SECTION II

A. **GIFTS** of transportation, lodging, food or entertainment aggregating $250 or more in value received from any source during the preceding calendar year.

IDENTITY OF SOURCE	BRIEF DESCRIPTION
None	

B. **GIFTS** other than transportation, lodging, food or entertainment aggregating $100 or more in value received from any source during preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. **REIMBURSEMENTS** received from any source aggregating $250 or more in value in preceding calendar year.

IDENTITY OF SOURCE	BRIEF DESCRIPTION
None	

NOTE: For Sections III–V below, indicate Category of Value: Category I—$1,000.01–$5,000; II—$5,000.01–$15,000; III—$15,000.01–$50,000; IV—$50,000.01–$100,000; V—$100,000.01–$250,000; VI—Over $250,000.

> **IMPORTANT**—For new Officers and Employees Only: In Sections III, IV, VI, and VII, the Reporting Individual Should List the Information Required as of Date Not More Than 31 Days Prior to the Date of Filing. The Information Listed Below is Current as of ______ (Date)

SECTION III

INTEREST IN PROPERTY HELD during preceding year in a trade or business, or for investment or production of income including trusts or other financial arrangements with a fair market value exceeding $1,000 at the close of the preceding calendar year.

IDENTITY	CATEGORY OF VALUE (I, II, III, IV, V, VI)
See schedule attached.	

SECTION IV

LIABILITIES (total) owed to any creditor which exceeds $10,000 at any time in the preceding calendar year and any revolving charge account with an outstanding liability over $10,000 at the *close* of the calendar year.

IDENTITY	CATEGORY OF VALUE (I, II, III, IV, V, VI)
First Women's Bank	II
East River Savings Bank	III

SECTION V

PURCHASE, SALE OR EXCHANGE during the preceding calendar year which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY OF VALUE (I, II, III, IV, V, VI)
See schedule attached.		

SECTION VI

POSITION HELD on or before date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or educational or other institution other than the United States.

POSITION	ORGANIZATION
Director and Vice President	P. Zaccaro Co., Inc.

SECTION VII

AGREEMENTS AND ARRANGEMENTS with respect to future employment, leave of absence, during the period of the reporting individual's Government service, continuation of payments by a former employer other than the U.S. Government, and any continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS
None		

Page 2 of 2

ETHICS IN GOVERNMENT ACT
FINANCIAL DISCLOSURE STATEMENT
GERALDINE A. FERRARO

Continuation Sheet

Section	Source	Type	Category
I.B.	Savings	Interest	III
	Savings	Interest (East River Savings Bank) of each dependent child - Donna, John & Laura	I
	JEB Realty Corp.	Interest	I
	JEB Realty Corp.	Capital gain on liquidation	VI
	Property at 231 Centre St., NY	Gross rental income	IV
	Property at 231 Centre St., NY	Capital gain on sale	VI

Section	Identity	Category
III	East River Savings Bank	III
	Ridgewood Savings Bank	III
	One-third interest in JEB Realty Corp.	IV
	One-half interest in property at 231 Centre St.,NY	V
	One-half interest in mortgage on property at 124-126 Bowery, NY	III
	P. Zaccaro Co., Inc.	
	● One-third ownership by Geraldine A. Ferraro	II
	● Two-thirds ownership by John A. Zaccaro	II
	East River Savings Bank accounts of each dependent child - Donna, John and Laura (John A. Zaccaro has signing authority)	II

Section	Brief Description/Date	Category
V	Purchase - Half interest in property, subject to a 1st mortgage, at 231 Centre Street, New York in May 1978	IV
	Sale - Half interest in property, subject to a 1st mortgage, at 231 Centre Street, New York in October 1978	V
	Sale - Half interest in a mortgage on property at 124-126 Bowery, New York in October 1978	III

DETAILED FILING INSTRUCTIONS AND EXEMPTIONS

MEMBERS OF CONGRESS AND CURRENT AND FORMER OFFICERS/EMPLOYEES/PRINCIPAL ASSISTANTS

SPECIFIC INFORMATION

Each Member in Office on May 15 SHALL FILE—A FINANCIAL DISCLOSURE STATEMENT ON OR BEFORE MAY 15 OF THAT CALENDAR YEAR.

Any individual who is an Officer/Employee of the Legislative Branch during any calendar year and is paid at a rate equal to or greater than GS–16 or who is a designated Principal Assistant of a Member of Congress and who performs the duties of his position or office for a period in excess of 60 days in that calendar year SHALL FILE—

A FINANCIAL DISCLOSURE STATEMENT ON OR BEFORE MAY 15 OF THE SUCCEEDING YEAR IF THE INDIVIDUAL IS EMPLOYED IN THE FOLLOWING OFFICES:

Architect of the Capitol
Botanic Gardens
Congressional Budget Office
Government Printing Office
Library of Congress
U.S. House of Representatives

PLEASE BE AWARE THAT THIS STATEMENT MUST BE FILED EVEN THOUGH THE INDIVIDUAL MAY NO LONGER BE EMPLOYED BY THE ABOVE LISTED OFFICES ON THE DATE OF FILING

NEW OFFICERS/EMPLOYEES/PRINCIPAL ASSISTANTS

SPECIFIC INFORMATION

Officers/Employees new to the Legislative Branch and paid at a rate equal to or greater than GS–16 and all employees newly designated as Principal Assistants to Members of Congress SHALL FILE—

A FINANCIAL DISCLOSURE STATEMENT WITHIN 30 DAYS OF ASSUMING SUCH POSITION IN THE FOLLOWING OFFICES:

Architect of the Capitol
Botanic Gardens
Congressional Budget Office
Government Printing Office
Library of Congress
U.S. House of Representatives

EXCEPT: Those individuals who have left another GS–16 or above or principal assistant position within the Legislative Branch (see note below) within 30 days prior to assuming new position.

NOTE: For purposes of this section, the Legislative Branch includes the U.S. House of Representatives, the U.S. Senate, the Architect of the Capitol, the Botanic Gardens, the Congressional Budget Office, the Cost Accounting Standards Board, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of the Attending Physician, and the Office of Technology Assessment.

INCOME: New officers/employees must include income (Sections I.A. and I.B.) for current year of filing as *well* as previous calendar year.

SECTION II: New Officers/Employees—Disregard this section.

SECTION V: New Officers/Employees—Disregard this section.

GENERAL INFORMATION

WHERE TO FILE: Clerk, U.S. House of Representatives, Office of Records and Registration, Room 1036, Longworth House Office Building, Washington, D.C. 20515. Telephone Number (202) 225–1300.

HONORARIA: In reporting any honorarium, the individual must also list the date the honorarium was received.

HOUSE RULES: Title I of the Ethics in Government Act (2 U.S.C. §§ 701–709) shall be deemed to be a Rule of the House as it pertains to Members, Officers, and employees.

POLITICAL CAMPAIGN FUNDS: Political campaign funds, including campaign receipts and expenditures, need not be included in any report filed pursuant to this title.

DESIGNATED COMMITTEE OF THE HOUSE: The Committee on Standards of Official Conduct of the U.S. House of Representatives, Room 2360, Rayburn House Office Building, Washington, D.C. 20515, telephone number (202) 225–7103, is the designated committee of the House.

EXEMPTIONS

SECTION I.A.—INCOME: Exclude income from current U.S. Government employment and any income listed in Section I.B.

SECTION I.B.—INCOME: The reporting individual need ONLY report the CATEGORY of the amount of income received by him, his spouse, or dependents from a trust (i) which was not created directly by such individual, his spouse, or any dependent; (ii) with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; and (iii) a qualified blind trust. [See 2 U.S.C. § 702(e)(3)].

SECTION II.A.—GIFTS: Exclude any gifts received from a relative of the reporting individual in the preceding calendar year; any food, lodging or entertainment received as personal hospitality of an individual; and for purposes of this section, any gift with a fair market value of $35 or less need not be aggregated.

SECTION II.B.—GIFTS: Exclude those gifts reported in Section II.A.; gifts from a relative of the reporting individual; and for purposes of this section, any gift with a fair market value of $35 or less need not be aggregated. (A gift need not be aggregated if in unusual circumstances a publicly available waiver is granted.)

SECTION III—INTEREST IN PROPERTY HELD: Exclude any liability owed to the reporting individual by a relative and any deposits aggregating $5,000 or less in personal savings accounts. In reporting property holdings, one should not simply list "stocks"—the name of each company in which stock worth over $1,000 is held must be listed separately. In listing real property holdings, the reporting individual should include a brief description of the property (such as number of acres and indication of any improvements), and its location. In listing the category of value of any property where it is difficult to determine an approximate fair market value, the individual may use any recognized indication of value provided that the method of valuation is indicated on the disclosure form. [See 2 U.S.C. 702(c)(2) for method of valuation].

SECTION IV—LIABILITIES: Exclude any liability owed to a relative; a mortgage on real property that is the reporting individual's/spouse's personal residence; a loan on a personal motor vehicle, or household furniture or appliance secured at a value that does not exceed the value of the item.

SECTION V—PURCHASE, SALE OR EXCHANGE: Exclude property used solely as a personal residence of the reporting individual or his spouse and any transaction solely by and between the reporting individual, his spouse, or dependent children.

SECTION VI—POSITION HELD: Exclude those positions held in any religious, social, fraternal or political entity and positions solely of an honorary nature.

SPOUSE AND DEPENDENT DISCLOSURE

The financial interests of the spouse and dependent children should be reported as follows:

SECTION I.A.—INCOME: The source, but not amount, of spouse and dependent child-earned income which exceeds $1,000.

SECTION I.B.—INCOME: Include all information required with respect to income derived from any asset reported by the spouse or dependent child under Section III.

SECTION II.B.—GIFTS: Exclude any gift received totally independent of the spouse's relationship to the reporting individual.

SECTION II.C.—GIFTS: Exclude any reimbursement received totally independent of the spouse's relationship to the reporting individual.

SECTIONS III, IV, AND V: Exclude items (i) which the reporting individual certifies represent the spouse or dependent child's sole financial interest or responsibility and which the reporting individual has no knowledge of; (ii) which are not in any way, past or present, derived from the income, assets, or activities of the reporting individual; and (iii) from which the reporting individual neither derives, nor expects to derive, any financial or economic benefit.

SECTION VI: Spouse disclosure not required.

SECTION VII: Spouse disclosure not required.

No report is required with respect to a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation or with respect to income or obligations of an individual arising from a divorce or permanent separation from his spouse.

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1979

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
(Full Name)
U.S. House of Representatives
Cannon House Office Building
(Mailing Address)
Washington, DC 20515

[illegible] NO. 1
(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 9 State NY

☐ Officer or Employee—Employing Office

☒ Check if amended Statement: */

*/ Amended to show information reportable as of original filing date (April 29, 1980).

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during the preceding calendar year. Exclude income from current U.S. Goverment employment.

SOURCE	TYPE	AMOUNT
American Enterprise Institute July 19, 1979	Honorarium	$200
John A. Zaccaro (spouse) real estate broker. He received salaries from P. Zaccaro Co., Inc. and Freann Realty Corp.		

B. The source, type, and category of value of income from dividends, interest, rent, and capital gains received from any source during the preceding calendar year which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	C
Interest (East River Savings Bank) of each dependent child - Donna, John and Laura	Savings	A

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of gifts of transportation, lodging, food, or entertainment aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of all other gifts aggregating $100 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of reimbursements aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
None	

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1981 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
East River Savings Bank	C
Ridgewood Savings Bank	C
P. Zaccaro Co., Inc.	
• One-third ownership by Geraldine A. Ferraro	B
• Two-thirds ownership by John A. Zaccaro	B
East River Savings Bank accounts of each dependent child -- Donna, John and Laura (John A. Zaccaro has signing authority).	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1981.

IDENTITY	CATEGORY
East River Savings Bank	C
The First Women's Bank (loan repaid in 1979)	B

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1981 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
None		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Director and Vice President	P. Zaccaro Co., Inc.

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ___

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ___ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date
	September 30, 1984

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1980

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
(Full Name)

U.S. House of Representatives
Cannon House Office Building
(Mailing Address)

Washington, DC 20515

EXHIBIT NO. 3
(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 9 State NY

☐ Officer or Employee—Employing Office

☒ Check if amended Statement. */

*/ Amended to show information reportable as of original filing date (May 3, 1981).

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during the preceding calendar year. Exclude income from current U.S. Goverment employment. *Do not include here income reported in part I-B below.*

SOURCE	TYPE	AMOUNT
American Enterprise Institute-2/13/80	Honorarium	$200
American Enterprise Institute-8/20/80	Honorarium	200
National Town Meeting - 5/29/80	Honorarium	500
Quality Bakers of America Cooperative Inc. 11/6/80	Honorarium	500
John A. Zaccaro (spouse) real estate broker & trustee in bankruptcy. He received salaries from P. Zaccaro Co.Inc.& Freann Realty Corp.		

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during the preceding calendar year which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	C
Interest (East River Savings Bank) of each dependent child-Donna,John & Laura	Savings	A
P. Zaccaro Co., Inc.-Geraldine A. Ferraro	Dividend	A
P. Zaccaro Co., Inc.-John A. Zaccaro	Dividend	B✓

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
Angelli Foundation	- Round trip airfare to Rome,Italy to attend meeting.
Women's Campaign Fund	- Round trip airfare to Texas to attend meeting.

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
None	

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1982 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
East River Savings Bank	C
Ridgewood Savings Bank	C
Wright Patman Congressional Federal Credit Union	B
P. Zaccaro Co., Inc.	
● One-third ownership by Geraldine A. Ferraro	B
● Two-thirds ownership by John A. Zaccaro	B
East River Savings Bank accounts of each dependent child -- Donna, John and Laura (John A. Zaccaro has signing authority.)	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1982.

IDENTITY	CATEGORY
East River Savings Bank (loan repaid in 1980)	C

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1982 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
None		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Director and Vice President	P. Zaccaro Co., Inc.
Board of Directors	Lexington School for the Deaf

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ____ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature

Date September 30, 1984

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1981

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
(Full Name)

U.S. House of Representatives
Cannon House Office Building
(Mailing Address)

Washington, DC 20515

EXHIBIT NO. 4
(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 9 State NY

☐ Officer or Employee—Employing Office

☒ Check if amended Statement. */

*/ Amended to show information reportable as of original filing date (April 29, 1982).

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1981. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT
See schedule attached	Honoraria	
John A. Zaccaro (spouse) real estate broker and trustee in bankruptcy. He received salaries from P. Zaccaro Co. Inc. and Frajo Associates, Inc.		

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during calendar year 1981 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	C
Interest (East River Savings Bank) of each dependent child - Donna, John & Laura	Savings	B
Dividend	Investment Fund	B
P. Zaccaro Co.,Inc.-Geraldine A. Ferraro	Dividend	C
P. Zaccaro Co.,Inc.-John A. Zaccaro	Dividend	D

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food,* or *entertainment* aggregating $250 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION
None.	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION
See schedule attached.	

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
First Women's Bank	B
Ridgewood Savings Bank	C
East River Savings Bank	C
Wright Patman Congressional Federal Credit Union	A
Dreyfus Liquid Fund	C
P. Zaccaro Co., Inc.	
• One-third ownership by Geraldine A. Ferraro	B
• Two-thirds ownership by John A. Zaccaro	B
East River Savings Bank accounts of each dependent child -- Donna, John and Laura (John A. Zaccaro has signing authority)	C

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during the preceding calendar year.

IDENTITY	CATEGORY
None	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
None		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Director and Vice President	P. Zaccaro Co., Inc.
Board of Directors	Lexington School for the Deaf
Board of Visitors	Merchant Marine Board of Visitors

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ___

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ___ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date
	September 30, 1984

[illegible]

Page 1 of 1

ETHICS IN GOVERNMENT ACT
FINANCIAL DISCLOSURE STATEMENT
GERALDINE A. FERRARO

Continuation Sheet

Part	Source and Date of Honoraria	Amount
I.A.	American Enterprise Institute March 4, 1981	$ 200
	American Transport Assoc. October 28, 1981	750
	Sioux Valley Empire Elect Assoc. Inc. November 24, 1981	500

Part	Source	Brief Description
II.C.	Sioux Valley Empire Elect Assoc, Inc.	Travel expenses to So. Dakota to tour their facilities.
	National Federation of Democratic Women	Travel expenses to attend conference in Indianapolis, Indiana.
	National Women's Political Caucus	Travel and lodging expenses to attend conference in Albequerque, New Mexico.

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1982

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
(Full Name)

U.S. House of Representatives
Cannon House Office Building
(Mailing Address)

Washington, DC 20515

EXHIBIT NO. 5

(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 9 State NY

☐ Officer or Employee—Employing Office

☒ Check if amended Statement */

*/ Amended to show information reportable as of original filing date (May 9, 1983).

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1982. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT
See schedule attached.	Honoraria	
John A. Zaccaro (spouse) real estate broker, trustee in bankruptcy and conservator. He received salaries from P. Zaccaro Co., Inc. and Frajo Associates, Inc.		

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during calendar year 1982 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$10[illegible]00; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	C
Dividends	Investment Fund	C
Interest (East River Savings Bank) of each dependent child -- Donna, John and Laura.	Savings	B
P. Zaccaro Co., Inc.- John A. Zaccaro	Dividend	A

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food,* or *entertainment* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION
None	

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1983 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
East River Savings Bank	A
Ridgewood Savings Bank	A
Wright Patman Congressional Federal Credit Union	A
Dreyfus Liquid Fund	C
P. Zaccaro Co., Inc.	
• One-third ownership by Geraldine A. Ferraro	B
• Two-thirds ownership by John A. Zaccaro	B
East River Savings Bank accounts of each dependent child -- (John A. Zaccaro has signing authority)	
• John	C
• Donna and Laura	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1983.

IDENTITY	CATEGORY
None	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1983 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
Purchase of Troy, New York New Public Housing bonds (The bonds were then given as a gift to Geraldine A. Ferraro's mother).	May 3, 1982	C

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Director and Vice President	P. Zaccaro Co., Inc.
Board of Directors	Lexington School for the Deaf
Board of Visitors	Merchant Marine Board of Visitors
Advisory Committee	League of Italian Americans for the Arts
Board of Directors	Institute for Art and Urban Resources

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions)
YES X NO

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions)
YES NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature

Date
September 30, 1984

Page 1 of 1

ETHICS IN GOVERNMENT ACT
FINANCIAL DISCLOSURE STATEMENT
GERALDINE A. FERRARO

Continuation Sheet

Part	Source and Date of Honoraria	Amount
I.A.	Brookings Institute February 11, 1982	$ 200
	Outdoor Advertising Assoc. of New York March 31, 1982	500
	Commodity Exchange, Inc., New York June 28, 1982	1,000
	Chicago Mercantile Exchange & Chicago Board of Trade November 23, 1982	1,000
	Washington Caucus Group December 9, 1982	500

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1983

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
(Full Name)

U.S. House of Representatives
Cannon House Office Building
(Mailing Address)

Washington, DC 20515

EXHIBIT NO. 6

(Office Use Only)

Check the appropriate box and fill in the blanks.

☒ Member of the U.S. House of Representatives—District 9 State NY

☐ Officer or Employee—Employing Office

☒ Check if amended Statement. */

*/ Amended to show information reportable as of original filing date (May 8, 1984).

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type and amount of income (including honoraria *and date received*) aggregating $100 or more in value received from any source during calendar year 1983. Exclude income from current U.S. Government employment. *Do not include here income reported in part I-B below.*

SOURCE	TYPE	AMOUNT
See schedule attached	Honoraria	-
John A. Zaccaro (spouse) real estate broker, trustee in bankruptcy and conservator. He received a salary from P. Zaccaro Co., Inc.		

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during calendar year 1983 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	A
Dividends	Investment Fund	A
Interest	Bonds	C
Interest (East River Savings Bank) of each dependent child -- John and Laura	Savings	/ B

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food,* or *entertainment* aggregating $250 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION
See schedule attached	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION
See schedule attached	

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001–$15,000; C—$15,001–$50,000; D—$50,001–$100,000; E—$100,001–$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which has a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
Ridgewood Savings Bank	A
East River Savings Bank	A
Wright Patman Congressional Federal Credit Union	A
Dreyfus Liquid Fund	A
The Reserve Fund	A
Municipal Bonds: NYC MAC	C
NYC General Obligation	C
Gloversville, NY	B
P. Zaccaro Co., Inc.	
• One-third ownership by Geraldine A. Ferraro	B
• Two-thirds ownership by John A. Zaccaro	B
East River Savings Bank accounts of each dependent child -- John and Laura (John A. Zaccaro has signing authority)	C

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeds $10,000 at any time during the preceding calendar year.

IDENTITY	CATEGORY
None	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeds $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
Purchase of Municipal Bonds:		
NYC MAC	Jan.12,1983	C
NYC General Obligation	Jan.13,1983	C
Gloversville, NY	Feb. 9,1983	B

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
See schedule attached.	

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ____ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (2 U.S.C. 706 and 18 U.S.C. 1001).

Signature

Date September 30, 1984

Page 1 of 1

ETHICS IN GOVERNMENT ACT
FINANCIAL DISCLOSURE STATEMENT
GERALDINE A. FERRARO

Continuation Sheet

Part	Source and Date of Honoraria	Amount
I.A.	Avon Products Inc.-Feb. 18, 1983	$2,000
	Impact-March 16, 1983	100
	New York State Home Economics Association-May 6, 1983	100
	Union of American Hebrew Congregations-June 7, 1983	100
	Outdoor Advertising Association of America-Sept. 26, 1983	500
	Institute of Outdoor Advertising-Sept. 26, 1983	500
	American Enterprise Institute-Oct. 5, 1983	200

Part	Source	Brief Description
II.A.	Avon Products, Inc.	Transportation, lodging and food for Geraldine A. Ferraro and John A. Zaccaro at a conference in Miami, Florida.
	Chinese Culture University	Transportation, lodging and food for Geraldine A. Ferraro and John A. Zaccaro to Taiwan, Republic of China.
II.C.	Aspen Institute for Humanistic Studies	Travel expenses to attend conference in Hilton Head, South Carolina.
	International Ladies Garment Workers Union.	Travel and lodging expenses for attendance at convention in Hollywood, Florida.
	National Women's Political Caucus	Travel and lodging expenses for attendance at convention in San Antonio, Texas.
	Democratic Women of North Carolina	Travel and lodging expenses for attendance at convention in Raleigh, North Carolina.
	AFL-CIO	Travel expenses to attend convention in Hollywood, Florida.
	Tulsa County Democratic Party	Travel and lodging expenses incurred in connection with a speech in Tulsa, Oklahoma.
	Democratic National Committee	Travel and lodging expenses in connection with attendance at pre-convention conference in Chicago, Illinois.

VI.	POSITION	NAME OF ORGANIZATION
	Director and Vice President	P. Zaccaro Co., Inc.
	Board of Directors	Lexington School for the Deaf
	Board of Visitors	Merchant Marine Board of Visitors
	Advisory Committee	League of Italian Americans for the Arts
	Board of Directors	Institute for Art and Urban Resources
	Board of Directors	National Italian American Foundation
	Board of Directors	The Pension Rights Center
	Member of Advisory Committee	Mount Vernon College

WASHINGTON LEGAL FOUNDATION

ANNUAL REPORT 1983

EXHIBIT NO 7

WASHINGTON LEGAL FOUNDATION

LETTER OF THE GENERAL COUNSEL

You and I have a lot to be proud of. When I began the Washington Legal Foundation in 1976, I envisioned an aggressive, dedicated and effective organization that would fight in Federal and state courts to preserve the principles upon which America was built.

In just seven years, WLF has fulfilled my original vision by building a record of continuous commitment and successful substantive results. Our precedent-setting work in the courts has gained national recognition and respect.

Today, with over 85,000 members and 120,000 supporters nationwide, WLF is America's largest public interest litigation and research center. Members of our Board of Advisors are now Ambassadors, White House Counsel, and agency heads. No other organization can match the scope of WLF's activity or, more importantly, our rate of success.

The Washington Legal Foundation consistently acts to represent its number one client effectively — the taxpayer who believes in individual rights, free enterprise, a strong America and due process rights for crime victims. Our dedication to the concerns of mainstream Americans guides our selection of activities and frames the stance that WLF attorneys take in court and the public policy arena.

As an organization, WLF is lean, aggressive and able to move quickly. While the Foundation operates on a shoestring budget, its dedicated staff of lawyers has expertise in critical areas of the law which allows WLF to go head-to-head with the best legal minds in the nation. WLF has gained influence and respect on a national level as an acknowledged force from *both* sides of the political spectrum. Our pioneering efforts for crime victims, for instance, are now accepted as the norm in the legal community. Indeed, our efforts in this and other areas have established WLF as a legal catalyst, led other lawyers to seek our counsel, and made commonplace the study of WLF's legal work in law schools.

WLF has earned its unmatched national reputation as a preeminent legal action center by offering a much needed litigation capability to Members of Congress, small businessmen, crime victims, and other individuals deprived of their civil liberties.

As a U.S. Court of Appeals opinion stated in a recent WLF victory, the Foundation "leaves no stone unturned."

WLF has consistently been on the cutting-edge of historic and precedent-setting cases whether:

- fighting to protect the civil liberties of small businesses from regulatory harrassment by government bureaucrats;
- blocking cadres of radical attorneys in their highly-organized attempts to disrupt America's national defense and security policies through a wave of well-financed lawsuits;
- suing John Hinckley, Jr. in Federal Court on behalf of the Secret Service agent wounded in the assassination attempt on President Reagan and suing Hinckley's psychiatrist for negligence;
- attacking Consumer Product Safety Commission regulations based upon inadequate scientific evidence;
- fighting judicially-created "reverse discrimination";
- protecting the authority of military officers to give orders to subordinates without the threat of lawsuits;
- placing rational limitations on the ability of death-sentenced prisoners to repeatedly appeal the same issues in order to block their execution;
- fighting the attempts by pro-drug organizations to harass parent-supported drug rehabilitation groups by lawsuits;
- joining with 25 State Attorneys General in court to argue for a "good faith" exception to the exclusionary rule of evidence; or
- attacking attempts by government officials to seize corporate records without a search warrant.

WASHINGTON LEGAL FOUNDATION

The Washington Legal Foundation's place in the legal public policy arena is unique. The Foundation is the only effective legal counterweight to the array of disruptive anti-business, pro-criminal groups like the American Civil Liberties Union, the NAACP Legal Defense and Education Fund, and the many Ralph Nader organizations of which the media and many judges are so fond.

A hallmark of WLF's role is its strong working relations with the Administration, Members of Congress, their staffs, and other key policymakers. We have represented over 150 United States Senators and Congressmen in various cases and worked with over 25 State Attorneys General in courtrooms across the country. Similarly, we have acted as legal advisors to many of these legislators, as well as White House and Cabinet aides, on critical legal issues.

The Washington Legal Foundation has dramatically expanded beyond my original vision. Our courtroom activity is supplemented by a broad range of incisive and hard-hitting activities in which WLF works to expand support for free enterprise and to create a proper public opinion climate for our courtroom efforts.

During the past year, WLF continued to fulfill its role as the leading national voice in the legal public policy arena by activities such as:

- WLF's speeches and briefings to business, trade and lawyers groups on issues ranging from corporate products liability to corporate free speech and political rights;
- WLF's legal public policy monographs on significant business and legal issues which are distributed to judges, law schools, legislators, and policymakers nationwide;
- WLF's Congressional testimony and debates with the American Civil Liberties Union, Ralph Nader's Congress Watch, consumer activists, and other groups on national television and radio and at seminars on issues ranging from election law reform and products liability to the death penalty and insanity defense reform; and
- WLF's op-ed articles and analytical commentaries published in newspapers, magazines, and trade journals across the country.

Our success graphically demonstrates the impact a litigation and education-oriented public interest law firm operating in a highly political decision-making community can have on shaping public policy. The wide recognition afforded the results of our efforts speaks to the effectiveness of WLF as a fresh and persuasive voice in the national policymaking arena.

WLF has continued to reach out to the academic community through our Clinical Legal Intern Program and College Intern Program in which law students and college students work closely with WLF attorneys and staff in all facets of the WLF program.

The success of WLF's Clinical Legal Intern Program can be measured by the positions now held by our interns. The most recent WLF interns are employed as a WLF staff attorney, counsel to a Senate Committee, a high level staff member of the Department of Justice, a clerk to a judge on the U.S. Court of Appeals, and an assistant general counsel at a Fortune 500 corporation.

The Washington Legal Foundation's success in a short seven years has been gratifying. We have worked hard to be worthy of the financial support we have received. WLF is supported by people who believe we can make a difference, and we are making a difference in legal and public policy *today*. A direct result of our success is an ever-increasing number of requests for legal help and representation. Without your help, WLF could never have become the legal force it is nor can it continue to respond to new challenges tomorrow. With your continued support, our new national headquarters will serve as a solid base for further growth and greater victories. We have won many victories in the past. We believe, however, that our greatest victories lie in the future.

Daniel J. Popeo

Daniel J. Popeo
General Counsel

[illegible]

RECEIVED AT THE FEC

84 AUG 20 P 5: 19

DATE & TIME

EXHIBIT **NO.** 8

RECEIPT FOR HAND-DELIVERED DOCUMENTS

FROM: Geraldine Ferraro - Ethics in Government Act Report

NUMBER OF DOCUMENTS One (1)

RECEIVED BY

Patricia Klein

[illegible]
Office of Personnel Management

FINANCIAL DISCLOSURE REPORT

Form Approved OMB No. 3209-0002

Page 1

Reporting Status (Check Appropriate Box)

☐ Incumbent ☒ XXXXXXXXXXXXX or Candidate ☐ Termination Report

NOTE
All schedules must be filed. Enter "None" in areas or across schedules where appropriate.

Agency Use Only Date of Filing (Month, Day, Year)

OGE Use Only

Reporting Individual's Name
Last Name: FERRARO
First Name and Middle Initial: GERALDINE A.

Position for Which Filing - Candidate
Title of Position: VICE PRESIDENT OF THE U.S.
Department or Agency (If Applicable):
Date of XXXXXXXXXXXXXX XXXXXX Nomination (Mo., Day, Yr.): July 19, 1984
Termination Date (If Applicable) (Month, Day, Year): Not applicable.

Location of Present Office
Address (Number, Street, City, State and Zip Code):
U.S. House of Representatives
Cannon House Office Building, Washington, D.C. 20515
Room Number: 312
Telephone No. (Include Area Code): (202) 225-3965

Presidential Nominees Subject to Senate Confirmation
Name of Congressional Committee Considering Nomination: Not applicable.
Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No

Positions Held With the Federal Government During the Preceding 12 Months (If Not Same as Above)
Title of Position(s) and Date(s) Held: Member of U.S. House of Representatives, District 9, New York

Certification
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.
Signature of Reporting Individual: Geraldine A. Ferraro
Date (Month, Day, Year): August 20, 1984.

Agency Ethics Official's Opinion
The information contained in this report discloses no conflict of interest under applicable laws and regulations.
Signature of Designated Agency Ethics Official/Reviewing Official:
Date (Month, Day, Year):

Office of Government Ethics Use Only ▶
Signature:
Date (Month, Day, Year):

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

(Check box if comments are continued on the reverse side) ☐

[illegible] or dependent child receive income from, [illegible] a trust?	X
[illegible] the income from the trust?	X
[illegible] reported the assets of the trust?	X
[illegible] trust an "excepted" trust? Yes ☐ No ☒ or "qualified" trust?	X

Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? Yes ☐ No ☒

If "Yes," do you certify to all of the following?
1 They represent solely your spouse's or dependent child's financial interest or responsibility;
2 They are not, in any way, past or present, derived from your income, assets, or activities;
3 You neither derive, nor expect to derive, any financial or economic benefit from them; and
4 You do not have knowledge as to the composition of such interest or liabilities. Yes ☐ No ☐

Page Number 2 of [illegible]

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

[illegible]

For the period January 1, 1983 to July 31, 1984

Identification	Income: Type of Income (✓) Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify)	Category of Amount of Value (✓) None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	Interests in Property: Valuation of Assets [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Personal Residences:																								
o Forest Hills, N.Y., N.Y.																		A						X
o Fire Island, N.Y. and																		A						X
four contiguous lots																		A					X	
o Condominium apts., St.																								
Croix, U.S. Virgin Islands																		A					X	
All of the above personal																		("Valuation of Assets"						
residences are owned																		for personal residences						
jointly by Geraldine A.																		is shown on a 100%						
Ferraro and John A. Zaccaro,																		basis for jointly						
except for the four lots on																		owned property)						
Fire Island which are owned																								
solely by Geraldine A.																								
Ferraro.																								

	Yes	No
Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust?	X	
If "yes", have you reported the income from the trust?	X	
If "yes", have you reported the assets of the trust?	X	
If "yes", is this trust an "excepted" trust? Yes ☐ No ☒ "qualified" trust?		X

	Yes	No
Are there any interests in property, purchases, sales, or exchanges, or holdings of a spouse or dependent child which you have not reported?		X
If "Yes," do you certify to all of the following? 1. They represent solely your spouse's or dependent child's financial interest or responsibility; 2. They are not, in any way, past or present, derived from your income, assets, or activities; 3. You neither derive, nor expect to derive, any financial or economic benefit from them; and 4. You do not have knowledge as to the composition of such interests or holdings.		

Page Number ▶ 3

Schedule A

Reporting Individual's Name: **Ferraro, Geraldine A.**

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME

For the period January 1, [illegible] to July 1, 19[illegible]

Identification	Type of Income (✓)	Category of Amount or Value (✓)	Valuation Method	Valuation of Assets (✓)
P. Zaccaro Co., Inc.				
218 Lafayette Street				
New York, New York 10013				
One-third ownership (one share) in this real estate				
management and broker				
corporation, which owns				
no real property.	X	X	A	X
Municipal Bonds:				
NYC MAC	X	X	H	X
NYC General Obligation	X	X	H	X
Gloversville, N.Y.	X	X	H	X
New Paltz, N.Y. - CSD	X	X	H	X

Page Number ➤	4	Schedule A
Reporting Individual's Name	Ferraro, Geraldine A.	
Agency Use Only		
Date of Filing (Month, Day, Year)		

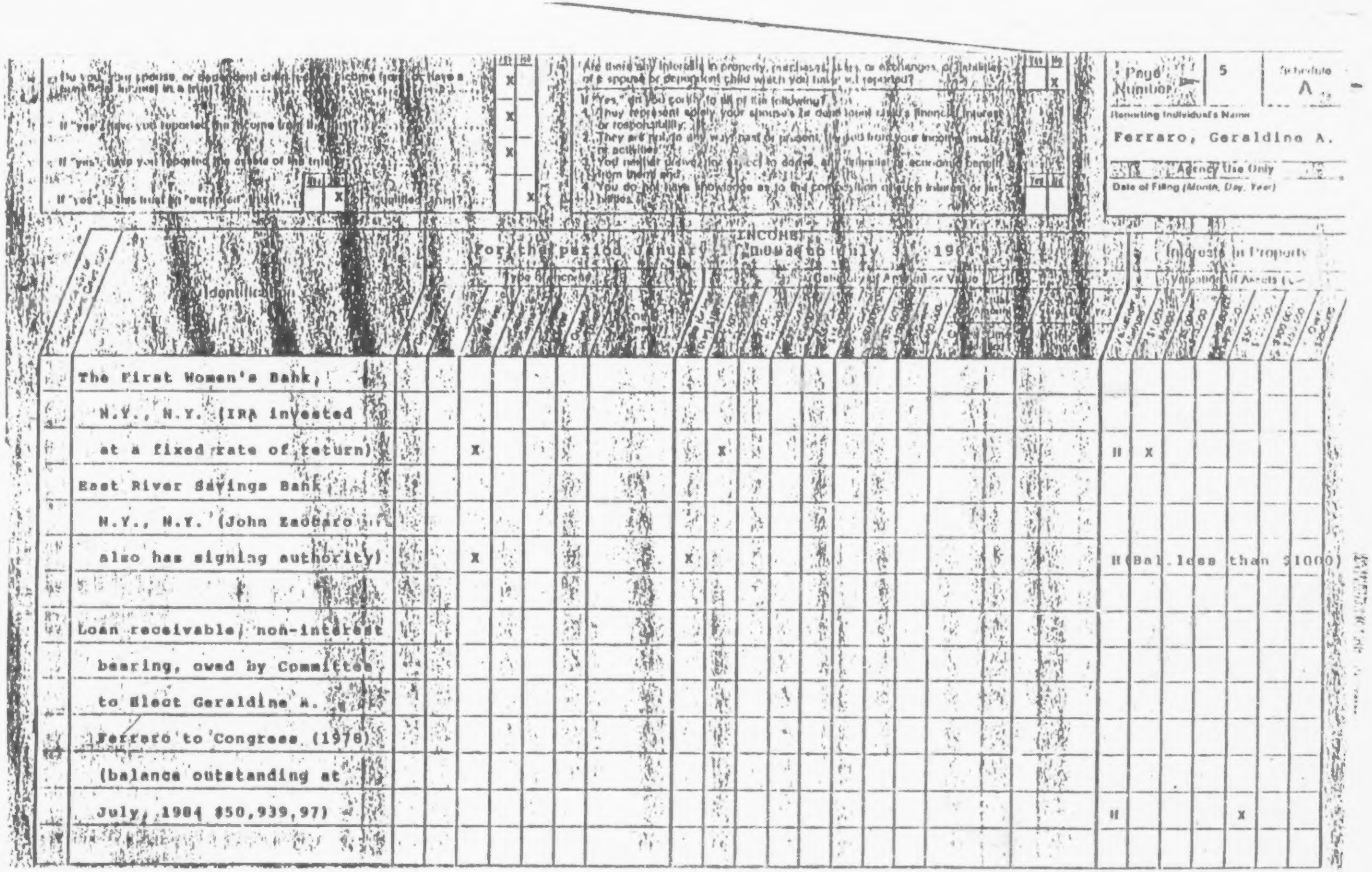
	Yes	No
Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust?	X	
If "yes", have you reported the income from the trust?	X	
If "yes", have you reported the assets of the trust?	X	
If "yes", is the trust an excepted trust? ☐ Yes ☒ No Qualified blind trust?		X

	Yes	No
Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? If "yes," do you certify to all of the following? 1. They represent solely your spouse's or dependent child's financial interest or responsibility; 2. They are not, in any way, past or present, derived from your income, assets, or activities; 3. You neither derive, nor expect to derive, any financial or economic benefit from them; and 4. You do not have knowledge as to the composition of such interest or liabilities.		X

INCOME

For the period January 1, 1983 to July 31, 1984

Spouse or Dependent Child	Identification	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Blind Trust	Other (Specify)	None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount — Only if "Other" Specified	Date, Day — Only if Honoraria	Value Method	$1,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	$250,001-$500,000	Over $500,000
		Type of Income (✓)							Category of Amount or Value (✓)										Interests in Property — Valuation of Assets (✓)						
	Wright Patman Congressional																								
	Federal Credit Union,																								
	Washington, D.C.			X						X									H		X				
	Dreyfus Liquid Assets, Inc.																								
	money market fund (John																								
	Zaccaro also has signing																								
	authority)	X								X									H	X					
	The Reserve Fund Inc. -																								
	money market fund	X								X									H(Bal. less than $1000)						
	Ridgewood Savings Bank																								
	N.Y., N.Y. (G. Ferraro's																								
	mother also has signing																								
	authority)			X						X									H	X					



Page Number 5

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? ☒ Yes ☐ No

If "yes" have you reported the income from the trust? ☒ Yes ☐ No

If "yes", have you reported the assets of the trust? ☒ Yes ☐ No

If "yes", is this trust an "excepted" trust? ☐ Yes ☒ No or "qualified" trust? ☐ Yes ☒ No

Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? ☐ Yes ☒ No

If "Yes," do you certify to all of the following?
1. They represent solely your spouse's or dependent child's financial interest or responsibility;
2. They are not in any way, past or present, derived from your income, assets, or activities;
3. You neither derive, nor expect to derive, any financial or economic benefit from them; and
4. You do not have knowledge as to the composition of such interests or liabilities. ☐ Yes ☐ No

INCOME

For the period January 1, [illegible] to July 31, 1984

Identification

Type of Income

Category of Amount or Value

Actual Amount

Interests in Property

Valuation of Assets

The First Women's Bank,						
N.Y., N.Y. (IRA invested						
at a fixed rate of return)	X		X	H	X	
East River Savings Bank						
N.Y., N.Y. (John Zaccaro						
also has signing authority)	X	X		H (Bal. less than $1000)		
Loan receivable, non-interest						
bearing, owed by Committee						
to Elect Geraldine A.						
Ferraro to Congress (1978)						
(balance outstanding at						
July, 1984 $50,939,97)				H		X

Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? X

If "yes", have you reported the income from the trust? X

If "yes", have you reported the assets of the trust? X

If "yes", is this trust an "excepted" trust? Yes ☐ No ☒ or "qualified" trust? X

Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? X

If "Yes," do you certify to all of the following?
1. They represent solely your spouse's or dependent child's financial interest or responsibility;
2. They are not, in any way, past or present, derived from your income, assets or activities;
3. You neither derive, nor expect to derive, any financial or economic benefit from them; and
4. You do not have knowledge as to the composition of such interest or liabilities

Page Number ► 6

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME

For the period January 1, 1984 to July 31, 1984

Type of Income (✓)

Category of Amount or Value (✓)

Interests in Property

Valuation of Assets (✓)

Identification	Valuation Method	$1,001–$5,000	$5,001–$15,000	$15,001–$50,000	$50,001–$100,000	$100,001–$250,000	Over $250,000
U.S. Civil Service Retirement							
System - vested benefit	H			x			
New York City Employees							
Retirement System	H(Bal less than $1000)						
In account with Sergeant at Arms,							
House of Representatives							
Washington, D.C. (checking							
account)	H		X				

Page Number 7

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

Did you, your spouse, or dependent child receive income from or have a beneficial interest in a trust? Yes ☐ No ☒

If "yes", have you reported the income from the trust? ☒

If "yes", have you reported the assets of the trust? ☒

If "yes", is this trust an "excepted" trust? Yes ☐ ☒ or "qualified" trust? ☒

Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? Yes ☐ No ☒

If "yes," do you certify to all of the following? [illegible]

1. They represent solely your spouse's or dependent child's financial interest or responsibility;
2. They are not, in any way, past or present, derived from your income, assets or activities;
3. You neither derive nor expect to derive, any financial or economic benefit from them; and
4. You do not have knowledge as to the composition of such interests or liabilities.

Yes ☐ No ☐

INCOME

For the period January 1 [illegible] July 1, 1984

Type of Income (✓) [illegible] Category of Amount or Value (✓)

Interests in Property

Valuation of Assets (✓)

	Identification																								
	Loan receivable - unsecured																								
	non-interest bearing demand																								
	loan to Frajo Associates, Inc.																								
	218 Lafayette Street																								
	N.Y., N.Y.																			II			X		
	See pages 8 and 9 for																								
	details of honoraria																								

INCOME AND INTERESTS IN PROPERTY Page 8

Schedule A
Ferraro, Geraldine A.

IDENTIFICATION	TYPE OF INCOME	ACTUAL AMOUNT	DATE
Avon Products Inc. 9 West 57th St. N.Y., N.Y. 10019	Honoraria	$2000	2/18/83
Impact 110 Maryland Ave. N.E. Washington, D.C. 20002	Honoraria	100	3/16/83
New York State Home Economics Association 35 James St. Cortland, N.Y. 13045	Honoraria	100	5/6/83
American University 4400 Massachusetts Ave. N.W. Washington. D.C. 20016	Honoraria	50	7/14/83
Union of American Hebrew Congregations 2027 Massachusetts Ave. N.W. Washington, D.C. 20036	Honoraria	100	6/7/83
Outdoor Advertising Assoc. of America 1899 L Street, N.W. Washington, D.C. 20036	Honoraria	500	9/26/83
Institute of Outdoor Advertising 342 Madison Ave. N.Y., N.Y. 10173	Honoraria	500	9/26/83
Center for Study of Democratic Institutions P.O. Box 4068 Santa Barbara, California 93103	Honoraria	50	11/23/83
American Enterprises Institute 1150 17th St. N.W. Washington, D.C. 20036	Honoraria	200	10/5/83

INCOME AND INTERESTS IN PROPERTY   Page 9   Schedule A
Ferraro, Geraldine A.

IDENTIFICATION	TYPE OF INCOME	ACTUAL AMOUNT	DATE
Touche Ross & Co. 1633 Broadway N.Y., N.Y. 10019	Honoraria	$1000	1/9/84
St. John's University Jamaica, N.Y. 11439	Honoraria	1000	2/15/84
American Nuclear Energy Council 410 1st St. S.E. Washington, D.C. 20003	Honoraria	250	3/8/84
R.J. Reynolds Industries Inc. Winston Salem, N.C. 27102	Honoraria	2000	5/7/84
American Retail Federation, Inc. 1616 H Street, N.W. Washington, D.C. 20006	Honoraria	500	5/16/84
The Fay Improvement Co. P.O. Box 2831 San Francisco, California 94126	Honoraria	2000	6/19/84

(Rev. 3-81)

INCOME AND INTERESTS IN PROPERTY

This schedule is applicable in the case of all reporting individuals

	Yes	No
Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust?	X	
If "yes", have you reported the income from the trust?	X	
If "yes", have you reported the assets of the trust?	X	
If "yes", is this trust an "excepted" trust? Yes ☐ No ☒ or "qualified" trust?		X

	Yes	No
A. Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported?		X
B. If "Yes", do you certify to all of the following? 1. They represent solely your spouse's or dependent child's financial interest or responsibility 2. They are not, in any way, past or present, derived from your income, assets or activities. 3. You neither derive, nor expect to derive, any financial or [illegible] benefit from them; and 4. You do not have knowledge as to the composition of such [illegible] liabilities		

Page Number 10 A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME

For the period January 1, 1983 to July 31, 1984.

	Identification	Type of Income (✓)							Category of Amount or Value (✓)										Interests in Property						
																			Valuation of Assets						
		Dividends	Rent	Interest	Capital Gains	Excepted Trust	[illegible]	Other (Specify)	None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	[illegible]	[illegible]	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
S	John A. Zaccaro - real estate																								
	broker, trustee in bankruptcy,																								
	and conservator.																								
S	P. Zaccaro Co., Inc.																								
	218 Lafayette Street																								
	N.Y., N.Y. 10012																								
	Two-thirds ownership (two																								
	shares) in this real estate																								
	management and broker																								
	corporation, which owns no																								
	real property.	X						Salary						X						A		X			

Do you, your spouse, or dependent child receive income from or have a beneficial interest in a trust?	X	
If "yes" have you reported the income from the trust?	X	
If "yes", have you reported the assets of the trust?	X	
If "yes", is this trust an "excepted" trust? ☐ ☒ or "qualified blind" trust?		X

	Yes	No
Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported?		X
If "Yes", do you certify to all of the following? 1. They represent solely your spouse's or dependent child's financial interest or responsibility; and 2. They are not, in any way, part of, or derived from your income, assets or activities; 3. You neither derive, nor expect to derive, any financial or economic benefit from them; and 4. You do not have knowledge as to the composition of such interest or liability.		

Page Number 11

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME

For the period January 1, [illegible] to July 31, 1984

Type of Income (✓) — Category of Amount or Value

Interests in Property — Valuation of Assets (✓)

	Identification				
S	Frajo Associates Inc.				
	218 Lafayette Street				
	N.Y., N.Y. 10012				
	30.55% ownership in this				
	commercial real estate				
	investment corporation				
	(John Zaccaro's mother owns				
	the remaining 69.45%).	X	X	A	X
S	Second Grand Company				
	121 North Central Avenue				
	Valley Stream, N.Y. 11580				
	One-half ownership in this				
	commercial real estate (continued)				

Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? X

If "yes", have you reported the income from the trust? X

If "yes", have you reported the assets of the trust? X

If "yes", is this trust an "excepted" trust? X or "qualified" trust? X

Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? X

If "Yes," Do you certify to all of the following?
1. They are the solely your spouse's or dependent child's financial interest or responsibility;
2. They are not, in any way, part of or derived from your income, assets or activities;
3. You neither derive, nor expect to derive, any financial or economic benefit from them; and
4. You do not have knowledge as to the composition of such interest or liability.

Page Number 12

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME

For the period January 1, 1983 to July 31, 1984

Interests in Property

	Identification	Type of Income	Amount or Value	Interests in Property	Valuation of Assets
	(continued)				
	investment partnership				
	(1983 income - $38,504)				
	estimated income through				
	July 1984 - $31,000)	Partnership Income	$69,504	A	X
S	Sold for cash and notes to				
	Armand P. Arman a one-third				
	interest in real property				
	at 527 Canal St., N.Y., N.Y.				
	The promissory notes received				
	remain outstanding at July				
	31, 1984.	X X	X	H	X

Did you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? ☒

If "yes", have you reported the income from the trust? ☒

If "yes", have you reported the assets of the trust? ☒

If "yes", is this trust an "excepted" trust? Yes ☐ No ☒ or "qualified" trust? ☒

Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? ☒

If "Yes," do you certify to all of the following?
1. They represent solely your spouse's or dependent child's financial interest or responsibility;
2. They are not, in any way, past or present, derived from your income, assets or activities;
3. You neither derive, nor expect to derive, any financial or economic benefit from them; and
4. You do not have knowledge as to the composition of such interest or liabilities.

Yes ☐ No ☐

Page Number ► 13

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME

For the period January 1, 1983 to July 31, 1984

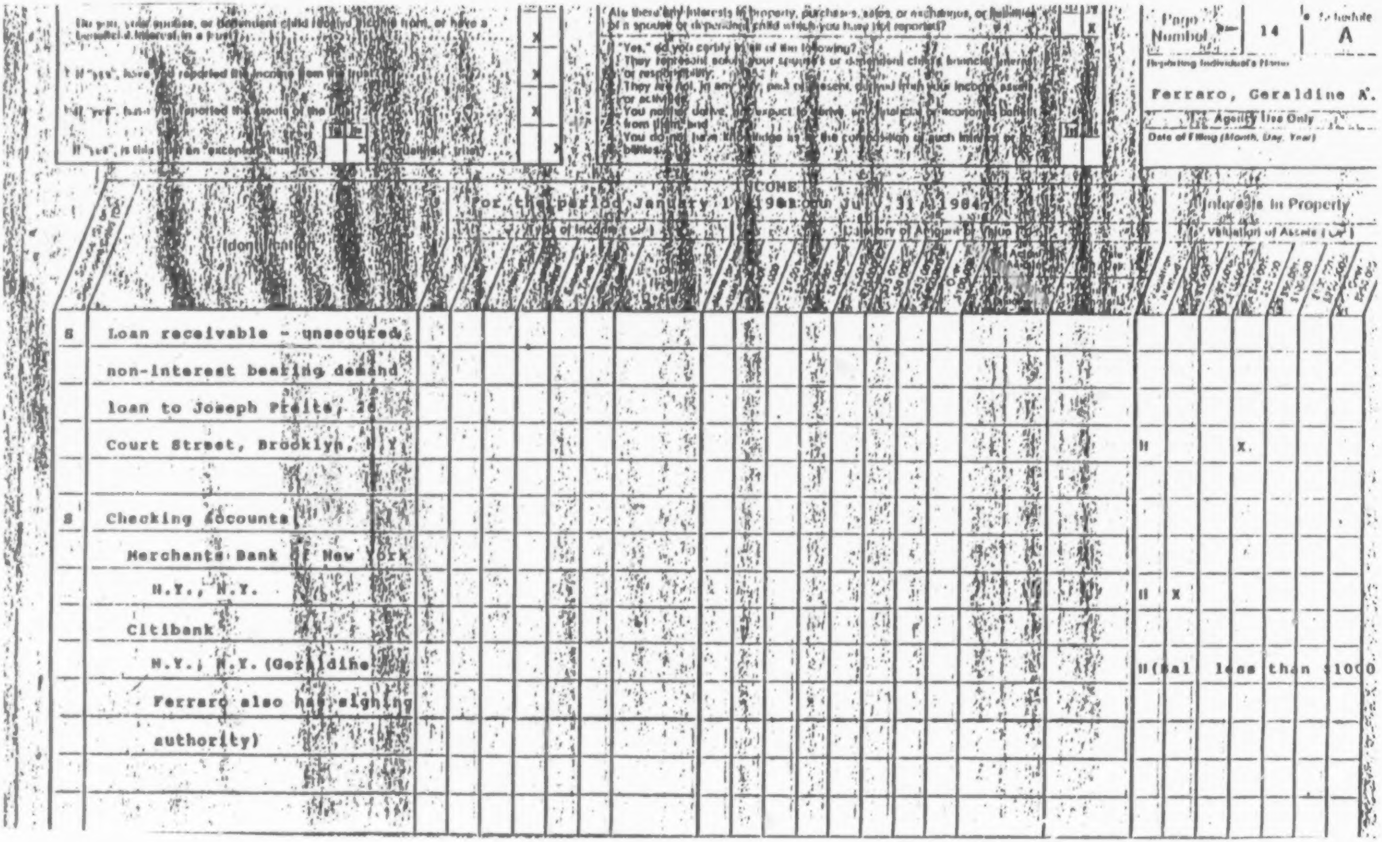
Type of Income (✓)

Category of Amount or Value (✓)

Interests in Property

Valuation of Assets (✓)

S	East River Savings Bank,				
	N.Y., N.Y.				
	(Keogh invested at a fixed				
	rate of return)	X	X	H	X
S	The Bankers Life, Des Moines,				
	Iowa (IRA invested at a fixed				
	rate of return)	X	X	H	X



Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? ☒

If "yes", have you reported the income from the trust? ☒

If "yes", have you reported the assets of the trust? ☒

If "yes", is this trust an "excepted" trust? ☐ ☒ or "qualified" trust? ☒

Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? ☒

If "Yes," do you certify to all of the following?
They represent solely your spouse's or dependent child's financial interest or responsibility;
They are not, in any way, past or present, derived from your income, assets or activities;
You neither derive, nor expect to derive, any financial or economic benefit from them; and
You do not have knowledge as to the composition of such interests or liabilities.

Page Number ▶ 14 | Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME For the period January 1, 1983 thru July 31, 1984

Type of Income

Category of Amount or Value

Interests in Property

Valuation of Assets

	(Identification)							
S	Loan receivable - unsecured,							
	non-interest bearing demand							
	loan to Joseph Prelte, 26							
	Court Street, Brooklyn, N.Y.	H			X.			
S	Checking accounts							
	Merchants Bank of New York							
	N.Y., N.Y.	H	X					
	Citibank							
	N.Y., N.Y. (Geraldine	H(Bal	less	than	$1000			
	Ferraro also has signing							
	authority)							

Page Number 15

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

	Yes	No
Do you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust?	X	
If "yes", have you reported the income from the trust?	X	
If "yes", have you reported the assets of the trust?	X	
If "yes", is this trust an "excepted" trust? Yes ☐ No ☒ or "qualified" trust?		X

	Yes	No
Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported?		X

If "Yes," do you certify to all of the following?
1. They represent solely your spouse's or dependent child's financial interest or responsibility;
2. They are not, in any way, held or derived from your income, assets or activities;
3. You neither derive, nor expect to derive, any financial or economic benefit from them; and
4. You do not have knowledge as to the composition of such interest or liabilities.

INCOME

For the period January 1, 1983 to July 31, 1984

Type of Income | Category of Amount of Value | Interests in Property — Valuation of Assets

[illegible]	Identification	[illegible]	Rent	[illegible]	Capital Gains	Excepted Trust	Qualified Blind Trust	[illegible]	[illegible]	[illegible]	[illegible]	$2,501-$5,000	[illegible]	[illegible]	[illegible]	Over $100,000	Actual Amount Only if Specified	Date	Value Method	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000
DC	Trust accounts -																								
	East River Savings Bank																								
	N.Y., N.Y. (John Zaccaro																								
	has signing authority)																								
	o Dependent child - Laur																								
	(2 accounts)			X								X							H			X			
	o Dependent child - John																								
	(3 accounts)			X								X							N			X			
DC	Each child owns a one-third																								
	interest in a first mortgage																								
	owed by Frajo Associates Inc.																								
	on property at 210 Lafayette																								
	Street, N.Y., N.Y. (continued)																								

Did you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? ☒

If "yes", have you reported the income from the trust? ☒

If "yes", have you reported the assets in the trust? ☒

If "yes", is this trust an "excepted" trust [illegible] qualified trust [illegible] Yes ☐ No ☒ ☒

Are there any interests in property, purchases, sales or exchanges, or transactions of a spouse or dependent child which you have not disclosed? ☐ ☒

If "Yes," do you certify to all of the following?
1 They represent solely the spouse's or dependent child's financial interests or responsibility.
2 They are not in any way [illegible] activities.
3 You neither derive, nor expect to derive, any financial or economic benefit from them.
4 You do not have knowledge as to [illegible] abilities.

Page Number 16

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME For the period January 1, [illegible] to July 31, 198[illegible]

Type of Income

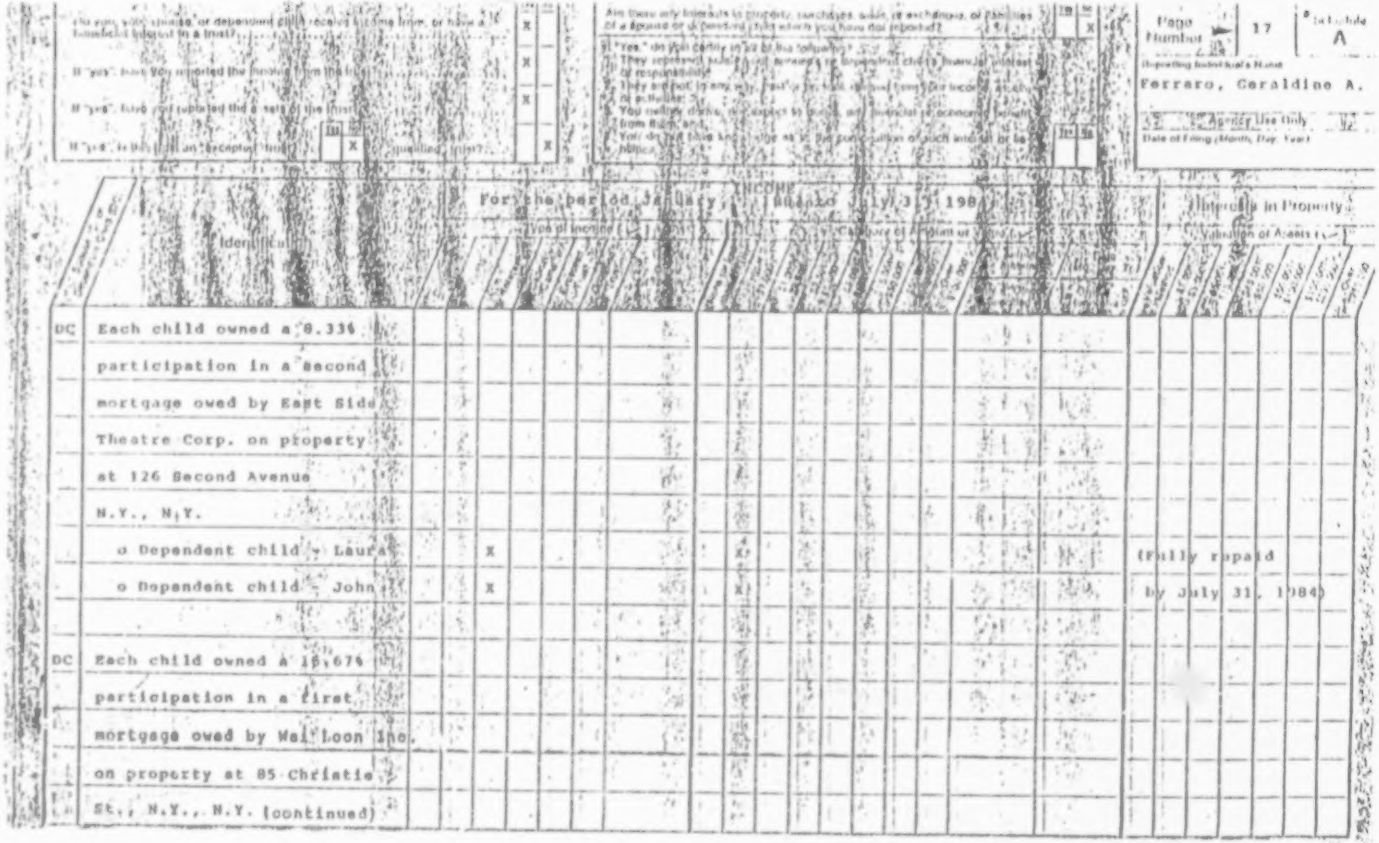
Amount of Value

Interests in Property

Valuation of Assets (✓)

Identification

	(continued)																								
	o Dependent child - Laura			x							x								H		x				
	o Dependent child - John			x							x								H		x				
DC	Each child owns a 8.33%																								
	participation in a third																								
	mortgage Owed by Elsey Casado																								
	and Clovis Depiante on prop-																								
	erty at 65 Spring St., N.Y.,																								
	N.Y.																								
	o Dependent child - Laura			x						x									H	x					
	o Dependent child - John			x						x									H	x					



Did you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? ☒

If "yes", have you reported the income from the trust? ☒

If "yes", have you reported the assets of the trust? ☒

If "yes", is this trust an "excepted trust" or a "qualified" trust? ☒

Are there any interests in property, purchases, sales, or exchanges, of families of a spouse or dependent child which you have not reported? ☒

If "Yes," do you certify as to all of the following?

They represent solely the spouse's or dependent child's financial interest or responsibility;

They are not in any way, past or present, derived from your income, assets, or activities;

You neither derive, nor expect to derive, any financial or economic benefit from them; and,

You do not have knowledge as to the composition of such interest or be...

Page Number 17

Schedule A

Reporting Individual's Name

Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

INCOME

For the period January 1, 1984 through July 31, 1984

Type of Income

Category of Amount or Value

Interests in Property

Valuation of Assets

Identification

DC	Each child owned a 8.33%			
	participation in a second			
	mortgage owed by East Side			
	Theatre Corp. on property			
	at 126 Second Avenue			
	N.Y., N.Y.			
	o Dependent child - Laura	X	X	(Fully repaid
	o Dependent child - John	X	X	by July 31, 1984)
DC	Each child owned a 16.67%			
	participation in a first			
	mortgage owed by Wai Loon Inc.			
	on property at 85 Christie			
	St., N.Y., N.Y. (continued)			

Did you, your spouse, or dependent child receive income from, or have a beneficial interest in a trust? Yes X

If "yes", have you reported the income from the trust? X

If "yes", have you reported the assets of the trust? X

If "yes", is this trust an "excepted" trust? Yes ☐ No X "qualified" trust? X

Are there any interests in property, purchases, sales, or exchanges, or liabilities of a spouse or dependent child which you have not reported? Yes ☐ No X

If "Yes," do you certify to all of the following?

1. They represent solely your spouse's or dependent child's financial interest or responsibility;
2. They are not, in any way, part of, derived from your income, assets, or activities;
3. You neither derive, nor expect to derive, any financial or economic benefit from them; and
4. You do not have knowledge as to the composition of such interests or liabilities.

Yes ☐ No ☐

Page Number ▶ 10

Schedule A

Reporting Individual's Name

erraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

	Identification	INCOME For the period January 1, 1983 to July 31, 1984 — Type of Income							Category of Amount or Value										Interests in Property — Valuation of Assets						
		Dividends						Other (Specify)									Other Amount Specified	Date (Mo., Day, Yr.)							
	(continued)																								
	o Dependent child – Laura			X						X									(Fully repaid						
	o Dependent child – John			X						X									by July 31, 1984						
DC	Each child has whole life																								
	insurance policies with																								
	Massachusetts Mutual Life																								
	Insurance Company which have																								
	cash surrender values																								
	o Dependent child – Laura																		H		X				
	o Dependent child – John																		H		X				

PURCHASES, SALES, AND EXCHANGES

This schedule is applicable only in the case of annual and termination reports

Page Number 19 H

Reporting Individual's Name
Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

Report Applicable Transactions, Even if Also Reported on Schedule A

S, or DC	Identification of Property (real and personal)	Type of Transaction			Date (Month, Day, Year)		Category of Amount or Value					
		Purchase	Sale	Exchange	Purchase	Sale or Exchange	$1,001 to $5,000	$5,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
	Unsecured, non-interest bearing, demand loan made to											
	Frajo Associates, Inc. 218 Lafayette St., N.Y., N.Y.			X		2/18/84			X			
	Municipal Bonds: NYC MAC	X			1/12/83				X			
	NYC General Obligation	X			1/13/83				X			
	Gloversville, N.Y.	X			2/9/83			X				
	New Paltz, N.Y. - CSD	X			2/2/84				X			
S	One-third interest in real property	X			2/24/83				X			
	at 527 Canal St., N.Y., N.Y.		X			5/3/83				X		
S	Unsecured, non-interest bearing, demand loan made to											
	Joseph Priete, 26 Court Street, Brooklyn, N.Y.			X		1/13/84		X				
S	Unsecured demand loan, at prime rate, from Manny Lerman, 333											
	Madison Avenue, N.Y., N.Y.			X		3/7/84				X		
S	Unsecured demand loan from Max Isaacs, 218 Lafayette St. NYC			X		12/23/83			X			
S	Unsecured demand loan from Max Isaacs, 218 Lafayette St. NYC			X		7/27/84			X			

Reporting Individual's Name
Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

Report Applicable Transactions, Even If Also Reported on Schedule A

S or DC	Identification of Property (real and personal)	Type of Transaction: Purchase	Sale	Exchange	Date (Month, Day, Year): Purchase	Sale or Exchange	Category of Amount or Value (✓): $1,001 to $5,000	$5,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S	Transactions by Frajo Associates Inc., which											
	corporation is 30.55% owned by John Zaccaro:											
	1. Condominium Apartment, St. Croix, U.S. Virgin											
	Islands	X			5/15/84						X	
	2. Condominium Apartment, 69 Bank Street, N.Y., N.Y.	X			12/21/83							X
	3. Periodic cash advances, net of repayment, to											
	John Zaccaro			X		various in 1983; none in 1984.				X		
	Transactions by P. Zaccaro Co., Inc., 218 Lafayette St., N.Y.											
	N.Y., which corporation is owned two thirds by John Zaccaro											
	and one third by Geraldine Ferraro:											
	1. Term note from the Estate of Alice Phelan,											
	guaranteed by John Zaccaro			X	Borrowed 10/19/83	Repaid 3/9/84				X		
	2. Demand loan from the Estate of Alice Phelan,											
	guaranteed by John Zaccaro			X	Borrowed 2/6/84	Repaid 3/27/84				X		
	3. Unsecured demand loan, at prime rate, from Max Isaacs			X		Borrowed 10/11/83				X		
	4. Unsecured demand loan, at prime rate, from Max Isaacs			X		Borrowed 1/6/84				X		
	5. Unsecured loan receivable from John DeLorenzo			X		Borrowed 9/30/83			X			
	6. Unsecured loan receivable from John DeLorenzo			X		Borrowed 11/16/83				X		

Reporting Individual's Name
Ferraro, Geraldine A.

Agency Use Only

Date of Filing (Month, Day, Year)

I Lodging, Transportation, Food and Entertainment—(List each source totaling $250 or more in value)

Source (Name and Address)	Brief Description	Value
Avon Products, Inc. 9 West 57th Street New York, New York 10019	Transportation, lodging and food for Geraldine Ferraro and John Zaccaro at a conference in Miami, Florida.	$1000
Chinese Culture University HWA Kang, Yang Ming Shan Taiwan, Republic of China	Transportation, lodging and food for Geraldine Ferraro and John Zaccaro to Taiwan, Republic of China	9000

II—All Other Gifts—List each source totaling $100 or more in value

Source (Name and Address)	Brief Description	Value
	See page 22 for details.	

III Reimbursements—List each source totaling $250 or more in value

Source (Name and Address)	Brief Description	Value
	See page 23 for details.	

All Other Gifts

SOURCE	BRIEF DESCRIPTION	VALUE
The following gifts were received during July, 1984; each gift is being returned to its donor. No other gifts aggregating $100 or more in value from any one source were received during the reporting period.		
Mr. & Mrs. Theodore Gianoutsos 5621 North 23rd St. Arlington, Virginia 22205	Sports equipment	$100 (est.)
Victor Costa Inc. 3000 Irving Blvd. Dallas, Texas 75247	Business suit	150 (est.)
Casa Milani Inc. P.O. Box 1041 Boca Raton, Florida 33429	Four pocketbooks	250 (est.)

Reimbursements

SOURCE	BRIEF DESCRIPTION	VALUE
Aspen Institute for Humanistic Studies 2010 Massachusetts Ave. N.W. Washington, D.C. 20036	Travel expenses to attend conference in Hilton Head, South Carolina	$285
International Ladies Garment Workers Union 1710 Broadway New York, N.Y. 10017	Travel and lodging expenses for attendance at convention in Hollywood, Florida	646
National Women's Political Caucus 1411 K Street, N.W. Washington, D.C. 20005	Travel and lodging expenses for attendance at convention in San Antonio, Texas	944
Democratic Women of North Carolina 1912 Carlton Avenue Greensboro, North Carolina 27406	Travel and lodging expenses for attendance at convention in Raleigh, North Carolina	421
AFL-CIO 815 16th Street, N.W. Washington, D.C. 20006	Travel expenses to attend convention in Hollywood, Florida	278
Tulsa County Democratic Party 6373 East 31st Street Tulsa, Oklahoma 74135	Travel and lodging expenses incurred in connection with a speech in Tulsa, Oklahoma	343
Democratic National Committee 1625 Massachusetts Ave. N.W. Washington, D.C.	Travel and lodging expenses in connection with attendance at 1984 Democratic National Convention Platform Committee hearings in Cleveland, Ohio, Birmingham, Alabama, Springfield, Ill., Los Angeles, California, Houston, Texas and attendance at pre-convention conference in Chicago, Ill.	2358

LIABILITIES

Number 24

S, J, or DC	Name and Address of Creditor	Type of Liability (e.g., mortgage note, margin account) (Give date, interest rate and, if applicable, term)	$10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
	See page 25 for details.						

POSITIONS HELD

Name and Address of Organization	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
See page 26 for details.				

COMPENSATION IN EXCESS OF $5,000 PAID BY ONE SOURCE (This section is applicable only in the case of nominees and new entrants.)

Source (Name and Address)	Brief Description of Duties
NONE	

RELATIONS WITH OTHER EMPLOYERS

Description of Terms of Arrangement or Agreement	Parties	Date (Mo., Day, Yr.)
U.S. Civil Service Retirement System - vested benefit	U.S. Government	Service 1975 to present
New York City Employees Retirement System related to service as Assistant District Attorney	New York City	Service 1974 to 1978.

S or DC	Name and Address of Creditor	Type of Liability	Category of Amount
	o 1st Mortgage obligation on jointly owned personal residence in St. Croix, U.S. Virgin Islands payable to:		
	Charles H. and Ann Spaulding 6 N.E. Executive Park Burlington, Maine 01803	1st Mortgage, 3 year term with a balloon payment due June 1986, 10% interest rate	$50,001 to $100,000
S	o 1st Mortgage obligations on properties in which Second Grand Company has an interest. (Second Grand Company, a partnership, is one-half owned by John Zaccaro)		
	1. 200 Lafayette St. Corp., c/o Chemical Bank, 30 Rockefeller Plaza, N.Y., N.Y. 10112	1st Mortgage, 15 year term due August, 1995, 9% interest rate for first 10 years and 10% thereafter	Over $250,000
	2. Norfolk Properties Inc. 535 Fifth Avenue, N.Y., N.Y. 10017	1st Mortgage, 15 year term due May, 1993, 6.5% interest rate	$100,001 to $250,000
S	o Max Isaacs - 218 Lafayette St., N.Y., N.Y. 10012	Dec. 1983, 11.5% unsecured demand loan	$15,001 to $50,000
S	o Max Isaacs - 218 Lafayette St., N.Y., N.Y. 10012	July 1984, 13.5% unsecured demand loan	$15,001 to $50,000
S	o Frajo Associates Inc. - 218 Lafayette St., N.Y., N.Y. 10012	Periodic cash advances to John Zaccaro, non-interest bearing, starting in 1978. (July 31, 1984 net balance - $152,926.)	$100,001 to $250,000

S or DC	Name and Address of Creditor	Type of Liability	Category of Amount
S	o Manny Lerman 333 Madison Avenue N.Y., N.Y. 10017	March 1984, unsecured demand loan at prime rate	$50,001 to $100,000
S	o Liabilities of P. Zaccaro Co., Inc. which are guaranteed by John Zaccaro:		
	1. Estate of Alice Phelan, Conservatee 218 Lafayette Street N.Y., N.Y. 10012	October 1983, term note due March 31, 1984 at 12% (note repaid March 9, 1984)	$50,001 to $100,000
	2. Estate of Alice Phelan, Conservatee 218 Lafayette Street N.Y., N.Y. 10012	February 1984, demand loan at 12% (loan repaid March 27, 1984)	$50,001 to $100,000
	3. Max Isaacs 218 Lafayette Street N.Y., N.Y. 10012	October 1983, unsecured demand loan at prime rate	$50,001 to $100,000
	4. Max Isaacs 218 Lafayette Street N.Y., N.Y. 10012	January 1984, unsecured demand loan at prime rate	$50,001 to $100,000

Name and Address of Organization	Type of Organization	Position Held	From	To
P. Zaccaro Co, Inc. 218 Lafayette St. N.Y., N.Y. 10012	Real estate management	Director Vice President	May 1971 Nov. 1973	Present Present
Marymount Manhattan College 221 East Seventy First Street N.Y., N.Y. 10021	Educational	Board of Trustees	Mar. 1984	Present
Merchant Marine Board of Visitors Maritime Administration U.S. Merchant Marine Academy Kings Point, N.Y. 11024	Educational	Board of Visitors	Feb. 1981	Present
The Pension Rights Center 1346 Connecticut Avenue, N.W. Washington, D.C. 20036	Educational	Board of Directors	Nov. 1983	Present
League of Italian Americans for the Arts P.O. Box 357 Great Neck, N.Y. 11021	Cultural	Advisory Committee	May, 1982	Present
National Italian American Foundation 666 11th Street, N.W. Suite 800 Washington, D.C. 20001-4596	Cultural	Board of Directors	May, 1983	Present
Institute for Art and Urban Resources 46-01 21st Street Long Island City, N.Y. 11101	Educational	Board of Directors	Oct. 1982	Present
Lexington School for the Deaf 30th Avenue & 75th Street Jackson Heights, N.Y. 11369	Educational	Board of Directors	Dec. 1980	Present
Mount Vernon College 2100 Foxhall Road, N.W. Washington, D.C. 20007	Educational	Member of Advisory Committee	1983	Present

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0C-03

002003

1040 Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return **1979**

EXHIBIT NO. 9

Privacy Act Notice, see page 3 of Instructions | For the year January 1–December 31, 1979, or other tax year beginning , 1979 ending , 19

Your first name and initial (if joint return, also give spouse's name and initial) GERALDINE A	Last name ZACCARO	Your social security number 100 28 1600
Present home address (Number and street, including apartment number, or rural route) 22 DEEPDENE RD		Spouse's social security no.
City, town or post office, State and ZIP code FOREST HILLS NY 11375	Your occupation ▶ CONGRESS US Spouse's occupation ▶	

Presidential Election Campaign Fund ▶ Do you want $1 to go to this fund? ☒ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☐ Yes ☐ No
Note: Checking "Yes" will not increase your tax or reduce your refund.

Filing Status

Check only one box.

1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Enter spouse's s.s. no. above and full name here ▶ SEE ATTACHED
4 ☐ Head of household. (See page 7 of Instructions.) If qualifying person is your unmarried child, enter child's name ▶
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 7 of Instructions.)

Exemptions

Always check the box labeled Yourself. Check other boxes if they apply.

6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1
c First names of your dependent children who lived with you ▶
Enter number of children listed ▶

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one half of dependent's support?
SEE SCHEDULE-2				

Enter number of other dependents ▶ 1
7 Total number of exemptions claimed . . . Add numbers entered in boxes above ▶ 2

Income

Please attach Copy B of your Forms W-2 here.

If you do not have a W-2, see page 5 of Instructions.

Please attach check or money order here.

8 Wages, salaries, tips, etc.	8	52,916.
9 Interest income (attach Schedule B if over $400)	9	2,682.
10a Dividends (attach Schedule B if over $400) , 10b Exclusion		
c Subtract line 10b from line 10a	10c	
11 State and local income tax refunds (does not apply unless refund is for year you itemized deductions—see page 10 of Instructions)	11	
12 Alimony received	12	
13 Business income or (loss) (attach Schedule C)	13	
14 Capital gain or (loss) (attach Schedule D)	14	
15 Taxable part of capital gain distributions not reported on Schedule D (see page 10 of Instructions)	15	
16 Supplemental gains or (losses) (attach Form 4797)	16	
17 Fully taxable pensions and annuities not reported on Schedule E	17	
18 Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc. (attach Schedule E)	18	
19 Farm income or (loss) (attach Schedule F)	19	
20a Unemployment compensation. Total amount received		
b Taxable part, if any, from worksheet on page 10 of Instructions	20b	
21 Other income (state nature and source—see page 10 of Instructions) ▶ SEE SCHEDULE-4	21	630.
22 Total income. Add amounts in column for lines 8 through 21 ▶	22	56,228.

Adjustments to Income

23 Moving expense (attach Form 3903 or 3903F)	23	
24 Employee business expenses (attach Form 2106)	24	
25 Payments to an IRA (see page 11 of Instructions)	25	
26 Payments to a Keogh (H.R. 10) retirement plan	26	
27 Interest penalty on early withdrawal of savings	27	
28 Alimony paid (see page 11 of Instructions)	28	
29 Disability income exclusion (attach Form 2440)	29	
30 Total adjustments. Add lines 23 through 29 ▶	30	

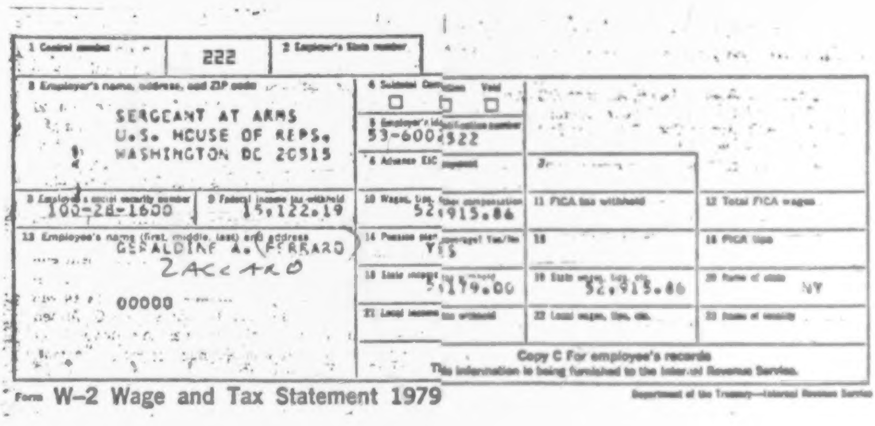
Adjusted Gross Income

31 Adjusted gross income. Subtract line 30 from line 22. If this line is less than $10,000, see page 2 of Instructions. If you want IRS to figure your tax, see page 4 of Instructions ▶	31	56,228.

4/4/80

TRIPLICATE

Form 1040 (1979)



1 Control number — 222

2 Employer's State number

3 Employer's name, address, and ZIP code

SERGEANT AT ARMS
U.S. HOUSE OF REPS.
WASHINGTON DC 20515

4 Subtotal ☐ Correction ☐ Void ☐

5 Employer's identification number: 53-600[illegible]522

6 Advance EIC payment

7

8 Employee's social security number: 100-28-1600

9 Federal income tax withheld: 15,122.19

10 Wages, tips, other compensation: 52,915.86

11 FICA tax withheld

12 Total FICA wages

13 Employee's name (first, middle, last) and address

GERALDINE A. (FERRARO)
ZACCARO
00000

14 Pension plan coverage? Yes/No: YES

15

16 FICA tips

18 State income tax withheld: 5,179.00

19 State wages, tips, etc.: 52,915.86

20 Name of state: NY

21 Local income tax withheld

22 Local wages, tips, etc.

23 Name of locality

Copy C For employee's records
This information is being furnished to the Internal Revenue Service.

Form W-2 Wage and Tax Statement 1979

Department of the Treasury—Internal Revenue Service

Form 1040 (1979) 002083 115C68-2290-03

Page 2

Tax Computation (See Instructions on page 12)	32	Amount from line 31 (adjusted gross income)			32	56,228.
	33	If you do not itemize deductions, enter zero If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 41			33	9,126.
		Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 12 of the Instructions. Also see page 12 of the Instructions if: • *You are married filing a separate return and your spouse itemizes deductions, OR* • *You file Form 4563, OR* • *You are a dual-status alien.*				
	34	Subtract line 33 from line 32. Use the amount on line 34 to find your tax from the Tax Tables, or to figure your tax on Schedule TC, Part I Use Schedule TC, Part I, and the Tax Rate Schedules ONLY if: • *Line 34 is more than $20,000 ($40,000 if you checked Filing Status Box 2 or 5), OR* • *You have more exemptions than are shown in the Tax Table for your filing status, OR* • *You use Schedule G or Form 4726 to figure your tax.* Otherwise, you MUST use the Tax Tables to find your tax.			34	47,102.
	35	Tax. Enter tax here and check if from ☐ Tax Tables or ☒ Schedule TC			35	17,689.
	36	Additional taxes. check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, ☐ Form 5405, or ☐ Section 72(m)(5) penalty tax (See page 12 of Instructions.)			36	
	37	Total. Add lines 35 and 36 ▶			37	17,689.
Credits	38	Credit for contributions to candidates for public office	38			
	39	Credit for the elderly *(attach Schedules R&RP)*	39			
	40	Credit for child and dependent care expenses (attach Form 2441)	40			
	41	Investment credit *(attach Form 3468)*	41			
	42	Foreign tax credit *(attach Form 1116)*	42			
	43	Work incentive (WIN) credit *(attach Form 4874)*	43			
	44	Jobs credit *(attach Form 5884)*	44			
	45	Residential energy credits *(attach Form 5695)*	45			
	46	Total credits. Add lines 38 through 45			46	
	47	Balance. Subtract line 46 from line 37 and enter difference (but not less than zero) ▶			47	17,689.
Other Taxes (Including Advance EIC Payments)	48	Self-employment tax *(attach Schedule SE)*			48	
	49a	Minimum tax. Attach Form 4625 and check here ▶ ☐			49a	
	49b	Alternative minimum tax. Attach Form 6251 and check here ▶ ☐			49b	
	50	Tax from recomputing prior-year investment credit *(attach Form 4255)*			50	
	51a	Social security (FICA) tax on tip income not reported to employer *(attach Form 4137)*			51a	
	51b	Uncollected employee FICA and RRTA tax on tips *(from Form W-2)*			51b	
	52	Tax on an IRA *(attach Form 5329)*			52	
	53	Advance earned income credit payments received *(from Form W-2)*			53	
	54	Total. Add lines 47 through 53 ▶			54	17,689.
Payments Attach Forms W-2, W-2G, and W-2P to front.	55	Total Federal income tax withheld	55	15,122.		
	56	1979 estimated tax payments and credit from 1978 return	56			
	57	Earned income credit. If line 32 is under $10,000, see page 2 of Instructions	57			
	58	Amount paid with Form 4868	58			
	59	Excess FICA and RRTA tax withheld (two or more employers)	59			
	60	Credit for Federal tax on special fuels and oils (attach Form 4136 or 4136-T)	60			
	61	Regulated Investment Company credit *(attach Form 2439)*	61			
	62	Total. Add lines 55 through 61 ▶			62	15,122.
Refund or Balance Due	63	If line 62 is larger than line 54, enter amount OVERPAID ▶			63	
	64	Amount of line 63 to be REFUNDED TO YOU ▶			64	
	65	Amount of line 63 to be credited on 1980 estimated tax ▶	65			
	66	If line 54 is larger than line 62, enter BALANCE DUE. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number on check or money order ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached ▶ $			66	2,567.

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date ▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information

Preparer's signature and date ▶

Check if self-employed ▶ ☒

Preparer's social security no. 062 07 4105

Firm's name (or yours, if self-employed) and address ▶
SELGER & BRESSMAN CPA
60 E 42ND STREET
NEW YORK NY

E.I. No. 11-2408558

ZIP code

115064-2250-03 002063

Schedules A&B—Itemized Deductions AND Interest and Dividend Income

(Form 1040)
Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

1979
08 ☐

Name(s) as shown on Form 1040: GERALDINE A ZACCARO

Your social security number: 100 26 1600

Schedule A—Itemized Deductions

Medical and Dental Expenses (not paid or reimbursed by insurance or otherwise) (*See page 16 of Instructions.*)

1 One-half (but not more than $150) of insurance premiums you paid for medical care. (Be sure to include in line 10 below.) ▶	150.
2 Medicine and drugs	
3 Enter 1% of Form 1040, line 31	562.
4 Subtract line 3 from line 2. If line 3 is more than line 2, enter zero	-0-
5 Balance of insurance premiums for medical care not entered on line 1	370.
6 Other medical and dental expenses:	
a Doctors, dentists, nurses, etc.	
b Hospitals	
c Other (itemize—include hearing aids, dentures, eyeglasses, transportation, etc.) ▶	
7 Total (add lines 4 through 6c)	370.
8 Enter 3% of Form 1040, line 31	1,687.
9 Subtract line 8 from line 7. If line 8 is more than line 7, enter zero	0.
10 Total medical and dental expenses (add lines 1 and 9). Enter here and on line 33 ▶	150.

Taxes (*See page 16 of Instructions.*)
Note: Gasoline taxes are no longer deductible.

11 State and local income	5,179.
12 Real estate	
13 General sales (see sales tax tables)	497.
14 Personal property	
15 Other (itemize) ▶	
16 Total taxes (add lines 11 through 15). Enter here and on line 34 ▶	5,676.

Interest Expense (*See page 17 of Instructions.*)

17 Home mortgage	
18 Credit and charge cards	
19 Other (itemize) ▶ SEE SCHEDULE-11	1,368.
20 Total interest expense (add lines 17 through 19). Enter here and on line 35 ▶	1,368.

Contributions (*See page 17 of Instructions.*)

21 a Cash contributions for which you have receipts, cancelled checks or other written evidence	570.
b Other cash contributions (show to whom you gave and how much you gave) ▶	
22 Other than cash (see page 17 of instructions for required statement)	
23 Carryover from prior years	
24 Total contributions (add lines 21a through 23). Enter here and on line 36 ▶	570.

Casualty or Theft Loss(es) (*See page 18 of Instructions.*)

25 Loss before insurance reimbursement	
26 Insurance reimbursement	
27 Subtract line 26 from line 25. If line 26 is more than line 25, enter zero	
28 Enter $100 or amount on line 27, whichever is smaller	
29 Total casualty or theft loss(es) (subtract line 28 from line 27). Enter here and on line 37 ▶	

Miscellaneous Deductions (*See page 18 of Instructions.*)

30 Union dues	
31 Other (itemize) ▶ SEE SCHEDULE-12	3,062.
32 Total miscellaneous deductions (add lines 30 and 31). Enter here and on line 38 ▶	3,062.

Summary of Itemized Deductions **A**
(*See page 18 of Instructions.*)

33 Total medical and dental—from line 10	150.
34 Total taxes—from line 16	5,676.
35 Total interest—from line 20	1,368.
36 Total contributions—from line 24	570.
37 Total casualty or theft loss(es)—from line 29	
38 Total miscellaneous—from line 32	3,062.
39 Add lines 33 through 38 ▶	10,826.
40 If you checked Form 1040, Filing Status box, 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700	1,700.
41 Subtract line 40 from line 39. Enter here and on Form 1040, line 33. (If line 40 is more than line 39, see the instructions for line 41 on page 18.) ▶	9,126.

TRIPLICATE

Schedules A&B (Form 1040) 1979 **Schedule B—Interest and Dividend Income** Page 2

Name(s) as shown on Form 1040: GERALDINE A ZACCARO

Your social security number: [illegible] ☐

Part I Interest Income

1 If you received more than $400 in interest, complete Part I and Part III. Please see page 6 of the instructions to find out what interest to report. Then answer the questions in Part III, below. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 18 of the instructions.

Name of payer	Amount
SEE SCHEDULE A	
2 Total interest income. Enter here and on Form 1040, line 9	2,482.

Part II Dividend Income

3 If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, complete Part II and Part III. Please see page 9 of the instructions. Write (H), (W), or (J), for stock held by husband, wife, or jointly. Then answer the questions in Part III, below. If you received dividends as a nominee for another, please see page 19 of the instructions.

Name of payer	Amount

4 Total of line 3		
5 Capital gain distributions. Enter here and on the appropriate line(s) on Schedule D.—See Note below		
6 Nontaxable distributions		
7 Total (add lines 5 and 6)		
8 Dividends before exclusion (subtract line 7 from line 4). Enter here and on Form 1040, line 10a		

Note: *If your capital gain distributions for the year do not include any gains before Nov. 1, 1978, and you do not need Schedule D to report any gains or losses, do not file that schedule. Instead, enter the taxable part of your capital gain distributions on Form 1040, line 15*

B

Part III Foreign Accounts and Foreign Trusts

If you are required to list interest in Part I or dividends in Part II, OR if you had a foreign account or were a grantor of, or a transferor to a foreign trust, you must answer both questions in Part III. Please see page 19 of the instructions.

	Yes	No
A At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country (see page 19 of instructions)?		X
B Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A, or 926.		X

TRIPLICATE

115068-2250-03 　 002083

SCHEDULE G
(Form 1040)
Department of the Treasury
Internal Revenue Service

Income Averaging

▶ See instructions on pages 2 and 3.
▶ Attach to Form 1040.

1979
18 ☐

Name(s) as shown on Form 1040
GERALDINE A ZACCARO

Your social security number
100 : 28 : 1600

Base Period Income and Adjustments	(a) 1st preceding base period year 1978	(b) 2d preceding base period year 1977	(c) 3rd preceding base period year 1976	(d) 4th preceding base period year 1975
1 Enter amount from: Form 1040 (1977 and 1978)—line 34 Form 1040A (1977 and 1978)—line 10	37,769.	21,170.	▨	▨
2 Multiply $750 by the total number of exemptions claimed in 1977 and 1978	750.	1,500.	▨	▨
3 Taxable income (subtract line 2 from line 1). If less than zero, enter zero (see instructions)	37,019.	19,670.	18,571.	16,440.
4 Income earned outside of the United States or within U.S. possessions and excluded under sections 911 and 931				
5 On your 1979 Form 1040, if you checked box {2 or 5 enter $3,200 / 1 or 4 enter $2,200 / 3 enter $1,600} {in columns (c) and (d)}	▨		1,600.	1,600.
6 Base period income (add lines 3, 4 and 5)	37,019.	19,670.	20,171.	18,040.

Computation of Averageable Income

7 Taxable income for 1979 from Schedule TC (Form 1040), Part I, line 3	7	45,102.		▨
8 Certain amounts received by owner-employees subject to a penalty under section 72(m)(5)	8			▨
9 Subtract line 8 from line 7	9	45,102.		▨
10 Excess community income	10			▨
11 Adjusted taxable income (subtract line 10 from line 9). If less than zero, enter zero			11	45,102.
12 Add columns (a) through (d), line 6, and enter here	12	94,900.		
13 Enter 30% of line 12			13	28,470.
14 Averageable income (subtract line 13 from line 11)			14	16,632.

If line 14 is $3,000 or less, do not complete the rest of the form. You do not qualify for income averaging. **G**

Computation of Tax

15 Amount from line 13			15	28,470.
16 20% of line 14			16	3,326.
17 Total (add lines 15 and 16)			17	31,796.
18 Excess community income from line 10			18	
19 Total (add lines 17 and 18)			19	31,796.
20 Tax on amount on line 19* (see caution below)			20	10,809.
21 Tax on amount on line 17* (see caution below)	21	10,809.		▨
22 Tax on amount on line 15* (see caution below)	22	9,089.		▨
23 Subtract line 22 from line 21	23	1,720.		▨
24 Multiply the amount on line 23 by 4			24	6,880.
Note: *If no entry was made on line 8 above, skip lines 25 through 27 and go to line 28.*				▨
25 Tax on amount on line 7* (see caution below)	25			▨
26 Tax on amount on line 9* (see caution below)	26			▨
27 Subtract line 26 from line 25			27	
28 Tax (add lines 20, 24, and 27). Enter here and on Schedule TC (Form 1040), Part I, line 4 and check Schedule G box			28	17,689.

*Caution: Use Tax Rate Schedule X, Y or Z from the Form 1040 instructions to figure your tax on lines 20, 21, 22, 25 and 26. Do not use tax tables.

Page 2 of Schedule G – 　 DOES APPLY ☐ 　 DOES NOT APPLY ☐

115068-2250-03 002083

SCHEDULE TC
(Form 1040)
Department of the Treasury
Internal Revenue Service

Tax Computation Schedule

▶ Attach to Form 1040.

1979

Name(s) as shown on Form 1040
GERALDINE A ZACCARO

Your social security number
10C 28 16C0

Part I Computation of Tax for Taxpayers Who Cannot Use the Tax Tables

Use this part to figure your tax if:

- Your income on Form 1040, line 34, is more than $20,000 and you checked Filing Status Box 1, 3, or 4 on Form 1040.
- Your income on Form 1040, line 34, is more than $40,000 and you checked Filing Status Box 2 or 5 on Form 1040.
- You had more exemptions than were shown in the Tax Table for your filing status.
- You figure your tax using Schedule G (Income Averaging) or Form 4726 (Maximum Tax on Personal Service Income).

1 Enter the amount from Form 1040, line 34	1	47,102.
2 Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 7	2	2,000.
3 Taxable income. Subtract line 2 from line 1. (Figure your tax on this amount by using the Tax Rate Schedules or one of the other methods listed on line 4.)	3	45,102.
4 Income tax. Enter tax and check if from: ☐ Tax Rate Schedule X, Y, or Z. ☒ Schedule G. or ☐ Form 4726. Also enter on Form 1040, line 35.	4	17,689.

Part II Computation for Certain Taxpayers Who MUST Itemize Deductions

If you are included in one of the groups below, you MUST itemize. If you must itemize and the amount on Schedule A (Form 1040), line 40, is more than your itemized deductions on Schedule A, line 39, you must complete Part II before figuring your tax.

You MUST itemize your deductions if:

A. You can be claimed as a dependent on your parents' return and had interest, dividends, or other unearned income of $1,000 or more and had earned income of less than $2,300 if single (less than $1,700 if married filing a separate return).

Note: *If your earned income is more than your itemized deductions, you don't have to fill in Schedule A. Just enter your earned income in Part II, line 3, of this schedule, unless you are married filing a separate return and your spouse itemizes deductions. Generally, your earned income is the total of any amounts on Form 1040, lines 8, 13, and 19. See page 12 of the instructions for Form 1040 for more details.*

B. You are married filing a separate return and your spouse itemizes deductions. (There is an exception to this rule. You don't have to itemize if your spouse must itemize only because he or she is described in A and enters earned income instead of itemized deductions on Part II, line 3, of this schedule. If this is the case, don't complete Part II. Go back to Form 1040, line 33, and enter $0. Then go to Form 1040, line 34.)

C. You file Form 4563 to exclude income from sources in U.S. possessions. (Please see Form 4563, and Publication 570, Tax Guide for U.S. Citizens Employed in U.S. Possessions, for more details.)

D. You had dual status as a nonresident alien for part of 1979, and during the rest of the year you were either a resident alien or a U.S. citizen. However, you don't have to itemize if at the end of 1979, you were married to a U.S. resident or citizen and file a joint return reporting your combined worldwide income.

1 Enter the amount from Form 1040, line 31			1	
2 If you checked Form 1040, Filing Status Box: 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700	2		▨	
3 Enter the amount from Schedule A, line 39	3		▨	
Caution: *If you can be claimed as a dependent on your parents' return, see the Note above. Be sure you check the box below line 33 of Form 1040.*				
4 Subtract line 3 from line 2			4	
5 Add lines 1 and 4. Enter here and on Form 1040, line 34. (Leave Form 1040, line 33 blank. Disregard the instruction to subtract line 33 from line 33. Follow the rest of the instructions for Form 1040, line 34.)			5	

TC

The example below may help you to complete Part II.

Example—Walter Green, a single individual, is claimed as a dependent on his parents' return. Walter's adjusted gross income, Form 1040, line 31, is $4,000. Of this amount, $1,500 was earned income from a summer job and $2,500 was unearned income that he received as a beneficiary of a trust. Because Walter is being claimed as a dependent on his parents' return and has unearned income of $1,000 or more and earned income of less than $2,300, he must use Part II of Schedule TC. Walter knows that his total itemized deductions are only $500. Since this is less than his earned income ($1,500), he does not have to complete Schedule A. Walter enters $2,300, the zero bracket amount for a single individual, on line 2 of Part II and his earned income on line 3. He completes Part II as shown below and enters the total of $4,800 on Form 1040, line 34. He then figures his tax using the Tax Tables as explained in the instructions for lines 34 and 35 on page 12.

1 Adjusted gross income		$4,000
2 Zero bracket amount for a single individual	$2,300	
3 Earned income	1,500	
4 Subtract line 3 from line 2		800
5 Add lines 1 and 4. Enter here and on Form 1040, line 34		$4,800

Note: If Walter's itemized deductions are more than his earned income, he must complete Schedule A first.

FORM 11 – 1979 REGULAR + ® TAX YER IDENTIFICATION DATA, INCOME AVERAC
PRE ER OPTIONS ESTIMATED TAX & 2210 INFORM. Sn 225-5 OMIT CENTS

PREPARER'S NAME SELGER + BRESSMAN	(1) 3	(8) TAXPAYER'S S.S. NO (16) 10028 1600	(17-18) 11	ACCOUNT NO 10 115068	R # 11

(20-21)	(22) TAXPAYER'S FIRST NAME & INIT (37)	(38) SPOUSE'S FIRST NAME & INIT (53)	(54) LAST NAME (70)	(71) SPOUSE'S S.S. NO (79)
01	GERALDINE A		ZACCARO	

02	(22) STREET ADDRESS (47) 22 DESPDANE R.D.	(48) CITY (61) FOREST HILLS	(62) COUNTY (77) QUEENS

03	(22) STATE (26) NY.	(27) ZIP (31) 11375	(32) TAXPAYER'S OCCUPATION (53) CONGRESS-U.S.	(54) SPOUSE'S OCCUPATION (79)
04	(22) CARE OF NAME (70)			
05	(22) NAME OF THE PERSON WHO QUALIFIES THE TAXPAYER AS HEAD OF HOUSEHOLD (47)			
06	ENTER SPOUSE'S FULL NAME IF MARRIED FILING SEPARATELY	(23) SPOUSE'S NAME (53) JOHN A.	(54) SPOUSE'S S.S. NO (63) 061 30 8534	

FILING STATUS ENTER ONE OF THE FOLLOWING	1. SINGLE 2. MARRIED – JOINT 3. HEAD OF HOUSE *4. SURV. WIDOW(ER) 5. MARRIED – SPOUSE NOT FILING	MARRIED – FILING SEPARATE SPOUSE IS FILING 6. ITEMIZED 7. STAND. DEDUCTION 8. LOWEST METHOD	12	6
ENTER DIGIT 1 IF TAXPAYER IS MARRIED FILING SEPARATELY AND LIVING WITH SPOUSE			13	
*ENTER YEAR SPOUSE DIED FOR FILING STATUS 4 (TWO DIGITS)			14	

RESIDENT SCHOOL CODES N.Y., MICH., OHIO & PA	EXTRA EXEMPTIONS ENTER DIGIT 1	AGE 65 OR OVER SELF	AGE 65 OR OVER SPOUSE	BLIND SELF	BLIND SPOUSE
15 519		16	17	18	19

STATE/CITY RESIDENT & NON-RESIDENT RETURN CODING (ENTER DIGIT 1 TO REQUEST PROPER RETURN)

N.Y. STATE RESIDENT	20	1	N.J. RESIDENT	25	
N.Y. CITY RESIDENT	21	1	N.J. TT 203-209 AND N.J. 1040 NR TAXPAYER	26	-
N.Y. CITY NON RESIDENT	22		N.J. TT 203-209 AND N.J. 1040 NR SPOUSE	27	
N.Y. STATE NON-RESIDENT TAXPAYER	23		CONN. RESIDENT	28	
N.Y. STATE NON-RESIDENT SPOUSE	24		NO STATE RETURN	29	
OTHER RESIDENT CODES–ENTER 2 DIGIT CODES	30		MO. COUNTY CODES, MICH. & OHIO RESIDENT CITY CODES.	31	

FEDERAL INCOME AVERAGING (REFER TO FORM 37 FOR FOREIGN INCOME, ETC.)

1978 TAX TABLE INCOME	32	37769	1978 TOTAL EXEMPTIONS	33	1
1977 TAX TABLE INCOME	34	21170	1977 TOTAL EXEMPTIONS	35	2
ENTER TAXABLE INCOME – 1976	36	18571	1975	37	16440

PREPARER'S OPTIONS

DROP POINT	38	38	CLIENT LABELS	39	
PRESIDENTIAL ELECTION CAMPAIGN FUND	40	1	DO NOT PRINT FIRM NAME ON FORM	41	
COULD TAXPAYER BE CLAIMED ON PARENT'S RETURN?	42		TAXPAYER INVOICE	44	
POLITICAL CONTRIBUTIONS TAXPAYER	45		SPOUSE	46	
PREPARER'S SOCIAL SECURITY NUMBER ENTER 9 DIGIT NUMBER	47 062	48 074105	ENTER DIGIT 1 IF PREPARER IS SELF-EMPLOYED	49	1
PTS TO MATH INPUT	51	1	DO NOT PREPARE DIAGNOSTIC	52	

ESTIMATED TAX INFORMATION

1979 ESTIMATED TAX (INCLUDE 1978 OVERPAYMENT CREDITED TO 1979 ESTIMATE PLUS PAYMENTS MADE ON 1979 TAX)	FED.	55	
	RES. STATE	56	
	CITY	57	
ENTER AMOUNT OF 1979 OVERPAYMENT TO BE CREDITED TO 1980 ESTIMATE – OR – ENTER DIGIT 1 IF OVERPAYMENT IS TO BE CREDITED. ENTER DIGIT 2 IF ESTIMATE IS TO BE THE EXACT AMOUNT OF THE OVERPAYMENT. ENTER DIGIT 3 IF THE OVERPAYMENT IS TO BE APPLIED TO THE FIRST INSTALLMENT ONLY. ANY EXCESS TO BE REFUNDED	FED.	58	
	RES. STATE	59	
	CITY	60	
ENTER ESTIMATED W-2 WITHHOLDING TAX FOR 1980 IF DIFFERENT THAN 1979 WITHHOLDING TAX	FED.	61	
	RES. STATE	62	
	CITY	63	
ENTER EXACT DOLLAR AMOUNT OF ESTIMATE DESIRED OR ENTER DIGIT 1 IF ESTIMATE IS TO BE BASED ON THE TOTAL 1979 TAX LIABILITY LESS INCOME TAXES WITHHELD.	FED.	64	
	RES. STATE	65	
	CITY	66	
ENTER NUMBER OF PAYMENTS DESIRED DIGIT 1 – TOTAL DUE 4/15/80 DIGIT 2 – TOTAL DUE 1/15/81 DIGIT 3 – BLANK ESTIMATE IF BLANK – QUARTERLY ESTIMATE ASSUMED	FED.	67	
	RES. STATE	68	
	CITY	69	

FORM 2210 INFORMATION – REFER TO INSTRUCTIONS

EXCEPTION 1. 1978 TAX INCLUDING SCH. SE TAX	70	
EXCEPTION 2. TAX ON 1978 INCOME USING 1979 RATES AND EXEMPTIONS.	71	
ENTER DIGIT 1 IF THE COMPUTED PENALTY IS TO BE PRINTED ON FORM 1040, PAGE 2, LINE 66.	72	

ENTER BELOW THE AMOUNTS PAID ON ESTIMATED TAX FOR EACH PERIOD AND THE TAX WITHHELD. REFER TO INSTRUCTIONS

APR. 15, 1979	JUNE 15, 1979	SEPT. 15, 1979	JAN. 15, 1980
73	74	75	76

PTS USE ONLY		PHOTO	91 3	ENTRIES	99 2		
93	A-1 278	94	2	95	M	96	
97	KP XCL	98	KV	92	BH		

FORM 11 – COPYRIGHT 1979 – PROGRAMMED TAX SYSTEMS, INC.

FORM 12 – DEPENDENTS, OTHER DEPENDENTS WAGES & MISCELLANEOUS INCOME – 1979

[illegible]	
ACCOUNT NO.	
P 111068	12

TAXPAYER(S) NAME GERALDINE A. ZACCARO

SCHEDULE 1 – DEPENDENT CHILDREN WHO LIVED WITH TAXPAYER NOTE: FOR STATE PURPOSES ENTER "S" FOR SON, "D" FOR DAUGHTER AND THEIR AGE (REFER TO INSTRUCTIONS)

FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	TOTAL CHILDREN
												11

SCHEDULE 2 – OTHER DEPENDENTS

NAME	RELATIONSHIP	NO. MOS. IN HOME	DID DEPENDENT HAVE INCOME OF $1000 OR MORE?	DID YOU PROVIDE MORE THAN ONE-HALF OF DEPENDENT SUPPORT?	TOTAL OTHER DEPENDENTS
[illegible]	MOTHER		NO	YES	12 1

SCHEDULE 3 – INCOME FROM WAGES, SALARIES & TIPS (IF GROSS WAGES ARE NOT EQUAL TO FICA WAGES SEE INSTRUCTIONS)

NAME OF EMPLOYER	H/W	F.W.T.	GROSS	F.I.C.A.	S.W.T.	C.W.T.
SERGEANT AT ARMS U.S. HOUSE OF REPS		15122	52916		5179	

ADVANCED EARNED INCOME PAYMENTS RECEIVED								
TAXPAYER	13	TOTAL – TAXPAYER	14 15122	15 52916	16	17 5179	18
SPOUSE	19	TOTAL – SPOUSE	20	21	22	23	24

SCHEDULE 3A NON-RESIDENT WAGES DO NOT DUPLICATE YOUR ENTRIES ON THE STATE SHEETS	NEW YORK STATE IT 203 & 208		NEW YORK CITY NYC 203 NON-CITY NON-RESIDENTS		1040SE – LINES 7 & 15(A) ADJUSTMENTS ENTER FICA WAGES AS INDICATED ON FORM W-2 THAT HAVE BEEN INCLUDED IN SCHEDULE C GROSS RECEIPTS.		
	TAXPAYER	SPOUSE	TAXPAYER	SPOUSE		TAXPAYER	SPOUSE
	25	26	27	28		29	30

SCHEDULE 4 – MISCELLANEOUS INCOME	H.W. OR J	FEDERAL TAXABLE INCOME	RESIDENT STATE INCOME		TAXPAYER	SPOUSE
			TAXPAYER	SPOUSE		
FULLY TAXABLE PENSIONS AND ANNUITIES		47	48	49	PENSION EXCLUSION FOR RESIDENT STATE RETURNS (ENTER AS POSITIVE)	
STATE AND/OR LOCAL INCOME TAX REFUNDS		50	51	52	68	69
ALIMONY RECEIVED		53	54	55	MISCELLANEOUS INCOME (LOSS) SUBJECT TO SELF-EMPLOYMENT TAX	
COMMISSION OR FEE INCOME					70	71
DIRECTORS FEES					PERSONAL SERVICE INCOME INCLUDED IN MISCELLANEOUS INCOME FOR MAXIMUM TAX COMPUTATION (NOTE: INCLUDE INCOME FROM QUALIFYING PENSIONS & ANNUITIES)	
GROUP INSURANCE		630	630			
					72	73
					UNEMPLOYMENT COMPENSATION ENTER TOTAL AMOUNT RECEIVED.	
TOTALS →		65 630	66 630	67	80	81

FORM 12 – COPYRIGHT 1979, PROGRAMMED TAX SYSTEMS, INC.

FOR PTS USE ONLY	99	1

FORM 13 – DIVIDEND INCOME – 197

P

ACCOUNT NO 11506

TAXPAYER(S) NAME GERALDINE A. ZACCARO

13	SCHEDULE 5 – DIVIDEND INCOME *IF SCHEDULE "D" IS NOT USED THE COMPUTER WILL CALCULATE 40% CAP GAIN DIST AS MISC INCOME	H.W. OR J	QUALIFYING	*CAP. GAIN DISTRIBUTIONS	NONTAXABLE	NON-QUALIFYING	N.J. & P.A. STATE AMOUNT

RECAP TOTALS ONLY							
	TAXPAYER		TOTAL – TAXPAYER	11	12	13	14	23
	SPOUSE		TOTAL – SPOUSE	15	16	17	18	24
	JOINT		TOTAL – JOINT INC.	19	20	21	22	25
	GROSS DIV.							

FOR PTS USE ONLY 99 1

FORM 14 – INTEREST INCOME – 1979

14	SCHEDULE 6 – INTEREST INCOME	H W OR J	FEDERAL AMOUNT	STATE MODIFICATION	MASS. 5% INTEREST
	EAST RIVER SAV		1522		
	RIDGEWOOD SAV		1160		
	TAXPAYER		11 2682	12	30
	SPOUSE		13	14	31
	JOINT INC		15	16	32

FORFEITED INTEREST PENALTY FOR PREMATURE WITHDRAWAL

TAXPAYER	SPOUSE
17	18

FOREIGN ACCOUNTS AND FOREIGN TRUSTS

ENTER DIGIT 1 IF THE TAXPAYER(S) HAD A FOREIGN BANK ACCOUNT, ETC., DURING THE TAXABLE YEAR. IF YES, SEE PAGE 19 OF IRS INSTRUCTIONS. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER. 20

ENTER DIGIT 1 IF THE TAXPAYER(S) WERE GRANTORS OR TRANSFERORS OF A FOREIGN TRUST DURING THE TAXABLE YEAR. IF YES, ATTACH FORM 3520, 3520A, OR 926 TO THE RETURN. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER. 21

STATE MODIFICATION OF INTEREST INCOME

ENTER STATE NONTAXABLE PORTION OF FEDERAL INTEREST INCOME IN THE STATE MODIFICATION COLUMN AS A NEGATIVE ( )

ENTER FEDERAL NONTAXABLE INTEREST INCOME WHICH IS TO BE PICKED UP FOR STATE RETURN IN THE STATE MODIFICATION COLUMN AS A POSITIVE.

ENTER NET MODIFICATION IN THE APPROPRIATE BOX(ES).

FORM 13 – COPYRIGHT 1979 PROGRAMMED TAX SYSTEMS, INC.

FOR PTS USE ONLY 99 1

FORM 15 – ITEMIZED DEDUCTIONS 1979

TAXPAYERS NAME: GERALDINE A. ZACCARO

P

ACCOUNT NO.	(17) (18)
111058	15

SCHEDULE 7 – MEDICAL & DENTAL

MEDICAL INSURANCE PREMIUMS IN FULL	11	520
MEDICINE AND DRUGS BEFORE EXCLUSION	12	
6a DOCTORS, DENTISTS, ETC. (RECEIPTS & CHECKS)	13	
6b HOSPITALS	14	
6c OTHER MEDICAL (DO NOT DUPLICATE ENTRY OF DRS. ETC.)		
GLASSES, HEARING AIDS, ETC.		
LAB FEES & X-RAYS		
MEDICAL SUPPLIES		
MEDICAL TRAVEL @ 8¢ MILE		
MEDICAL INSURANCE REIMBURSEMENTS		( )
TOTAL MEDICAL (TOTAL OF ALL ITEMS) →	21	520

SCHEDULE 8 – TAXES

RECAP OF STATE &/OR CITY TAX PAYMENTS

1. 1979 WITHHOLDING		5174
2. 1979 ESTIMATED TAX PAYMENTS MADE IN 1979		
3. 4TH QUARTER 1978 ESTIMATE PAID IN 1979		
4. BALANCE PAID WITH 1978 RETURN		
5. OTHER PAYMENTS MADE DURING 1979		
STATE AND LOCAL INCOME (TOTAL LINES 1 TO 5)	50	5179
REAL ESTATE TAX	51	
GENERAL SALES OPTIONAL COMPUTATION BELOW	52	497
PERSONAL PROPERTY	53	
SALES TAX ON NEW AUTO		
SALES TAX ON MAJOR PURCHASES		
STOCK TRANSFER TAX		
NEW JERSEY STATE UNEMPLOYMENT		
FEDERAL DEDUCTIBLE TAXES →	60	5676

INFORMATION FOR SALES TAX COMPUTATION

ENTER DIGIT 1 FOR OPTIONAL COMPUTATION	70	
ENTER PERCENT TO ADD TO TABLE (ROUNDED TO NEAREST %)	71	%
INCREASE OR (DECREASE) AGI	72	

FORM 15 – COPYRIGHT 1979, PROGRAMMED TAX SYSTEMS INC.

FOR PTS USE ONLY	99	1

FORM 17 – ITEMIZED DEDUCTIONS (CONTINUED) 1979

TAXPAYERS NAME: GERALDINE A. ZACCARO

P

ACCOUNT NO.	(17-18)
115068	17

SCHEDULE 9 – CONTRIBUTIONS			
CASH CONTRIBUTIONS (RECEIPTS & CHECKS)		11	570
CHURCH			
TEMPLE			
UNITED JEWISH APPEAL			
UNITED FUND			
HEART FUND			
CANCER FUND			
CAR EXPENSE FOR CHARITY @ 8¢ MILE			
BOY/GIRL SCOUTS			
MISCELLANEOUS ORGANIZED CHARITIES			
CONTRIBUTION OTHER THAN CASH		23	
CONTRIBUTION CARRYOVER (ATTACH STATEMENT)	50%	24	
	30%	25	
CURRENT YEAR CONTRIBUTIONS SUBJECT TO: (ATTACH STATEMENT)	30% LIMITATION	26	
	20% LIMITATION	27	
TOTAL CONTRIBUTIONS ⟶		28	570

SCHEDULE 10 – CASUALTY OR THEFT LOSSES			
25. LOSS BEFORE REIMBURSE.	(DO NOT MAKE ENTRIES IF MORE THAN 1 CASUALTY OR THEFT LOSS)	30	
26. INSURANCE REIMBURSEMENT.		31	( )
27. SUBTRACT LINE 26 FROM LINE 25.			
28. ENTER SMALLER OF $100 OR LINE 27.			(100)
29. CASUALTY OR THEFT LOSS (LINE 27 LESS LINE 28) (IF MORE THAN ONE LOSS – SEE INSTRUCTIONS)		32	

SCHEDULE 11 – INTEREST EXPENSE		
HOME MORTGAGE	40	
CREDIT AND CHARGE CARDS	41	
AUTO LOAN		
FINANCE CO.		
HOME IMPROVEMENT LOAN		
BANK LOAN		1368
MARGIN ACCOUNT		
TOTAL INTEREST ⟶	50	1368

SCHEDULE 12 – MISCELLANEOUS DEDUCTIONS		
UNION DUES	60	
INVESTMENT EXPENSES		
TAX PREPARATION FEE		
SAFE DEPOSIT BOX		
PROFESSIONAL DUES		
BUSINESS PUBLICATIONS		
EDUCATION EXPENSES		
UNIFORMS		
WORK TOOLS		
OFFICE IN HOME		
BUSINESS ENTERTAINMENT AND GIFTS		
DUES		165
CONGRESSIONAL EXPENSES		2897
TOTAL MISCELLANEOUS DEDUCTIONS ⟶	72	3062

FORM 17 – COPYRIGHT 1979, PROGRAMMED TAX SYSTEMS, INC.

FOR PTS USE ONLY	99	1	

GERALDINE A. ZACCARO #115068

STATEMENT OF CONGRESSIONAL REIMBURSEMENTS AND EXPENSES

NOTE: Before preparing this statement, please read the accompanying information. Some reimbursements are not includible in gross income and other reimbursements, in some circumstances, need not be reported on your return. Do not include amounts received from non-Congressional sources. You may use Form 2106 in place of this statement (attached).

Congressional Reimbursements for Expenses

1. Reimbursement at the rate of 20 cents a mile for one round trip to the home district during each regular session $ 103
2. Reimbursement for other travel expenses
3. Reimbursement for other deductible expenses (if any)
4. Reimbursement for nondeductible expenses (if any)
5. Total reportable reimbursements $ 103.

Expenses Deductible as Adjustments to Income

6. Travel expenses: Living expenses in the Washington, D.C. area. The maximum amount allowable is $3,000 $ 3000.
7. Travel expenses: Other (attach detailed statement)
8. Other expenses (limited to amount on line 3)
9. Total expenses $ 3000.
10. Excess reimbursement (excess of line 5 over line 9. Include on Form 1040, line 21) $
11. Deductible expenses (excess of line 9 over line 5. Include on Form 1040, line 24) $ 2897

Expenses Deductible as Itemized Deductions

NOTE: These expenses include deductible Congressional expenses, other than for travel, which were not reimbursed by Congressional allowances. They include those expenses which may have been reimbursed from outside sources, such as contributed funds. Specify the kind of expense and total all expenses of the same kind. If additional space is needed, list the expenses on a separate sheet. Write "See separate sheet attached" on line 12 and enter the total amount on line 13.

12. ______ $______

______ $______

13. Total expenses deductible. Include on line 31, Schedule A (Form 1040) $______

115063-R-334241-1
5039-01

202173

Form 1040 U.S. Individual Income Tax Return 1980

Department of the Treasury—Internal Revenue Service

EXHIBIT NO. 10

For Privacy Act Notice, see Instructions

For the year January 1–December 31, 1980, or other tax year beginning 1980, ending 19

Your first name and initial (if joint return, also give spouse's name and initial): GERALDINE A	Last name: ZACCARO	Your social security number: 100 28 1600
Present home address (Number and street, including apartment number, or rural route): 22 DEEPDANE RD		Spouse's social security no.: 061 30 8534
City, town or post office, State and ZIP code: FOREST HILLS, NY 11375	Your occupation ▶ CONGRESS US	Spouse's occupation ▶

Presidential Election Campaign Fund

Do you want $1 to go to this fund? X Yes ▨ ☐ No

If joint return, does your spouse want $1 to go to this fund? ☐ Yes ▨ ☐ No

Note: Checking "Yes" will not increase your tax or reduce your refund.

Requested by Census Bureau for Revenue Sharing

A Where do you live (actual location of residence)? (See page 2 of Instructions.) State: NY City, village, borough, etc.: FOREST HIL

B. Do you live within the legal limits of a city, village, etc.? ☒ Yes ☐ No

C. In what county do you live? QUEENS

D. In what township do you live?

Filing Status

Check only one box.

For IRS use only

1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Enter spouse's s. s. no. above and full name here ▶ JOHN A ZACCARO
4 ☐ Head of household. (See page 6 of Instructions.) If qualifying person is your unmarried child, enter child's name ▶
5. ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions.)

Exemptions

Always check the box labeled Yourself. Check other boxes if they apply.

6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind

Enter number of boxes checked on 6a and b ▶ 1

c First names of your dependent children who lived with you ▶

Enter number of children listed on 6c ▶

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?
SEE SCHEDULE-2				

Enter number of other dependents ▶ 1

7 Total number of exemptions claimed — Add numbers entered in boxes above ▶ 2

Income

Please attach Copy B of your Forms W-2 here.

If you do not have a W-2, see page 5 of Instructions.

Please attach check or money order here.

8	Wages, salaries, tips, etc.	8	60,663.
9	Interest income (attach Schedule B if over $400)	9	3,044.
10a	Dividends (attach Schedule B if over $400) ________, 10b Exclusion ________	▨	
c	Subtract line 10b from line 10a	10c	
11	Refunds of State and local income taxes (do not enter an amount unless you deducted those taxes in an earlier year—see page 9 of Instructions)	11	
12	Alimony received	12	
13	Business income or (loss) (attach Schedule C)	13	
14	Capital gain or (loss) (attach Schedule D)	14	
15	40% of capital gain distributions not reported on line 14 (See page 9 of Instructions)	15	
16	Supplemental gains or (losses) (attach Form 4797)	16	
17	Fully taxable pensions and annuities not reported on line 18	17	
18	Pensions, annuities, rents, royalties, partnerships, etc. (attach Schedule E)	18	
19	Farm income or (loss) (attach Schedule F)	19	
20a	Unemployment compensation (insurance). Total received	▨	
b	Taxable amount, if any, from worksheet on page 10 of Instructions	20b	
21	Other income (state nature and source—see page 10 of Instructions) ▶ SEE SCHEDULE-4	21	2,078.
22	Total income. Add amounts in column for lines 8 through 21 ▶	22	65,785.

Adjustments to Income

(See Instructions on page 10)

23	Moving expense (attach Form 3903 or 3903F)	23		▨	
24	Employee business expenses (attach Form 2106)	24	2,897.	▨	
25	Payments to an IRA (enter code from page 10)	25		▨	
26	Payments to a Keogh (H.R. 10) retirement plan	26		▨	
27	Interest penalty on early withdrawal of savings	27		▨	
28	Alimony paid	28		▨	
29	Disability income exclusion (attach Form 2440)	29		▨	
30	Total adjustments. Add lines 23 through 29 ▶			30	2,897.

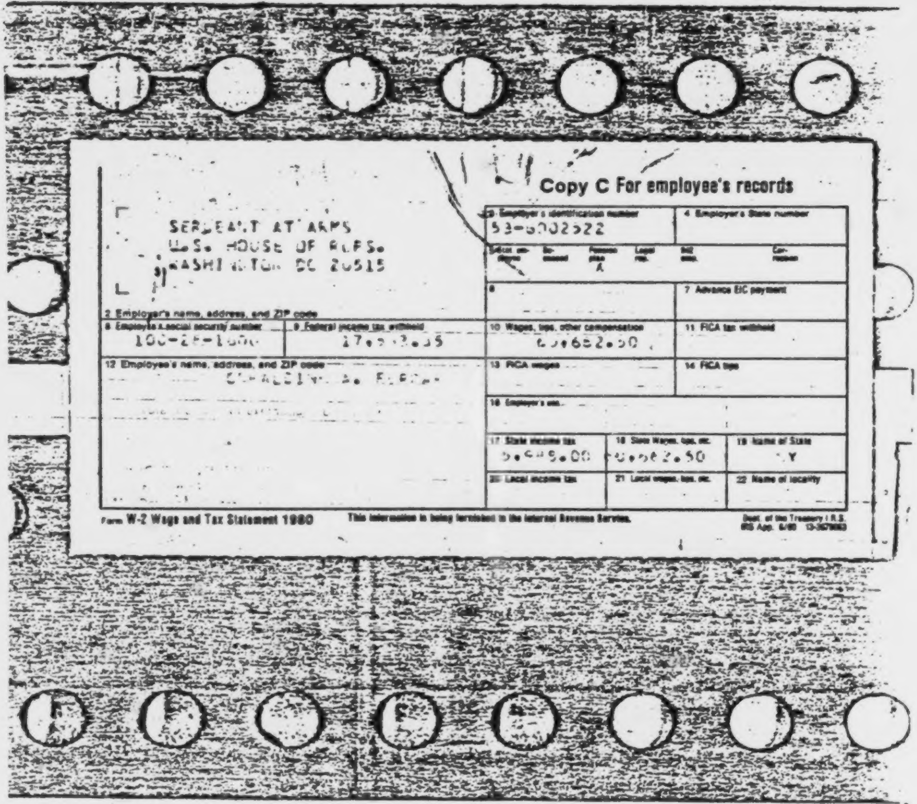
OK JP

Adjusted Gross Income

31	Adjusted gross income. Subtract line 30 from line 22. If this line is less than $10,000, see "Earned Income Credit" (line 57) on pages 13 and 14 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions ▶	31	62,888.

Form 1040 (1980)

TRIPLICATE



Copy C For employee's records

2 Employer's name, address, and ZIP code

SERGEANT AT ARMS
U.S. HOUSE OF REPS.
WASHINGTON DC 20515

3 Employer's identification number: 53-6002522

4 Employer's State number:

5 Stat. employee ☐ Deceased ☐ Pension plan ☒ Legal rep. ☐ 942 emp. ☐ Correction ☐

6

7 Advance EIC payment

8 Employee's social security number: 100-2[illegible]-1[illegible]

9 Federal income tax withheld: 17,[illegible].35

10 Wages, tips, other compensation: 60,662.50

11 FICA tax withheld

12 Employee's name, address, and ZIP code

GERALDINE A. FERRARO

13 FICA wages

14 FICA tips

16 Employer's use

17 State income tax: 5,945.00

18 State Wages, tips, etc.: 60,662.50

19 Name of State: NY

20 Local income tax

21 Local wages, tips, etc.

22 Name of locality

Form W-2 Wage and Tax Statement 1980

This information is being furnished to the Internal Revenue Service.

Dept. of the Treasury I.R.S.
IRS App. 6/80 13-[illegible]

202173

115068-5039-01

Form 1040 (1980)

Page 2

Tax Computation (See instructions on page 11)

32	Amount from line 31 (*adjusted gross income*)	32	62,888.
33	If you do not itemize deductions, enter zero If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 41	33	8,605.
	Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 11 of the Instructions. Also see page 11 of the Instructions if: • *You are married filing a separate return and your spouse itemizes deductions, OR* • *You file Form 4563, OR* • *You are a dual-status alien.*		
34	Subtract line 33 from line 32. Use the amount on line 34 to find your tax from the Tax Tables, or to figure your tax on Schedule TC, Part I	34	54,283.
	Use Schedule TC, Part I, and the Tax Rate Schedules ONLY if: • *Line 34 is more than $20,000 ($40,000 if you checked Filing Status Box 2 or 5), OR* • *You have more exemptions than are shown in the Tax Table for your filing status, OR* • *You use Schedule G or Form 4726 to figure your tax.* Otherwise, you MUST use the Tax Tables to find your tax.		
35	Tax. Enter tax here and check if from ☐ Tax Tables or ☒ Schedule TC	35	21,872.
36	Additional taxes. Check if from ☐ Form 4970, ☐ Form4972, ☐ Form 5544, ☐ Form 5405, or ☐ Section 72(m)(5) penalty tax (See page 12 of Instructions.)	36	
37	Total. Add lines 35 and 36 ▶	37	21,872.

Credits (See Instructions on page 12)

38	Credit for contributions to candidates for public office	38	50.		
39	Credit for the elderly (*attach Schedules R&RP*)	39			
40	Credit for child and dependent care expenses (*attach Form 2441*)	40			
41	Investment credit (*attach Form 3468*)	41			
42	Foreign tax credit (*attach Form 1116*)	42			
43	Work incentive (WIN) credit (*attach Form 4874*)	43			
44	Jobs credit (*attach Form 5884*)	44			
45	Residential energy credits (*attach Form 5695*)	45			
46	Total credits. Add lines 38 through 45			46	50.
47	Balance. Subtract line 46 from line 37 and enter difference (but not less than zero) ▶			47	21,822.

Other Taxes (Including Advance EIC Payments)

48	Self-employment tax (*attach Schedule SE*)	48	
49a	Minimum tax. Attach Form 4625 and check here ▶ ☐	49a	
49b	Alternative minimum tax. Attach Form 6251 and check here ▶ ☐	49b	
50	Tax from recomputing prior-year investment credit (*attach Form 4255*)	50	
51a	Social security (FICA) tax on tip income not reported to employer (*attach Form 4137*)	51a	
51b	Uncollected employee FICA and RRTA tax on tips (*from Form W-2*)	51b	
52	Tax on an IRA (*attach Form 5329*)	52	
53	Advance earned income credit (EIC) payments received (from Form W-2)	53	
54	Balance. Add lines 47 through 53 ▶	54	21,822.

Payments Attach Forms W-2, W-2G, and W-2P to front.

55	Total Federal income tax withheld	55	17,583.		
56	1980 estimated tax payments and amount applied from 1979 return	56			
57	Earned income credit. If line 32 is under $10,000, see pages 13 and 14 of Instructions	57			
58	Amount paid with Form 4868	58			
59	Excess FICA and RRTA tax withheld (two or more employers)	59			
60	Credit for Federal tax on special fuels and oils (*attach Form 4136 or 4136–T*)	60			
61	Regulated Investment Company credit (*attach Form 2439*)	61			
62	Total. Add lines 55 through 61 ▶			62	17,583.

Refund or Balance Due

63	If line 62 is larger than line 54, enter amount OVERPAID ▶	63	
64	Amount of line 63 to be REFUNDED TO YOU ▶	64	
65	Amount of line 63 to be applied to your 1981 estimated tax ▶ 65		
66	If line 54 is larger than line 62, enter BALANCE DUE. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number on check or money order ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached. ▶ $	66	4,239.

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Use Only

Preparer's signature and date ▶

Check if self-employed ▶ ☒

Preparer's social security no. 062 07 4105

Firm's name (or yours, if self-employed) and address ▶
SELGER & BRESSMAN CPA
60 E 42ND STREET
NEW YORK NY

E.I. No. ▶ 11-2408598

ZIP code ▶ 10017

115068-5035-01 202173

Schedules A&B—Itemized Deductions AND Interest and Dividend Income

(Form 1040)
Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

1980
08

Name(s) as shown on Form 1040: GERALDINE A ZACCARD

Your social security number: 100 20 1600

Schedule A—Itemized Deductions

Medical and Dental Expenses (not paid or reimbursed by insurance or otherwise) (See page 16 of Instructions.)

1 One-half (but not more than $150) of insurance premiums you paid for medical care. (Be sure to include in line 10 below.) . . ▶		150.
2 Medicine and drugs .		
3 Enter 1% of Form 1040, line 31 . . .	629.	
4 Subtract line 3 from line 2. If line 3 is more than line 2, enter zero		0.
5 Balance of insurance premiums for medical care not entered on line 1		150.
6 Other medical and dental expenses:		
a Doctors, dentists, nurses, etc.		
b Hospitals		
c Other (itemize—include hearing aids, dentures, eyeglasses, transportation, etc.) ▶		
7 Total (add lines 4 through 6c)		150.
8 Enter 3% of Form 1040, line 31		1,887.
9 Subtract line 8 from line 7. If line 8 is more than line 7, enter zero		0.
10 Total medical and dental expenses (add lines 1 and 9). Enter here and on line 33 . . ▶		150.

Taxes (See page 17 of Instructions.)
Note: Gasoline taxes are no longer deductible.

11 State and local income	7,483.
12 Real estate	
13 General sales (see sales tax tables)	815.
14 Personal property	
15 Other (itemize) ▶	
16 Total taxes (add lines 11 through 15). Enter here and on line 34 . . . . . . ▶	8,298.

Interest Expense (See page 17 of instructions.)

17 Home mortgage	
18 Credit and charge cards	
19 Other (itemize) ▶	
20 Total interest expense (add lines 17 through 19). Enter here and on line 35 . . ▶	

Contributions (See page 17 of Instructions.)

21 a Cash contributions for which you have receipts or cancelled checks	692.
b Other cash contributions (show to whom you gave and how much you gave) ▶	
22 Other than cash (see page 17 of Instructions for required statement)	
23 Carryover from prior years	
24 Total contributions (add lines 21a through 23). Enter here and on line 36 . . . ▶	692.

Casualty or Theft Loss(es) (See page 18 of Instructions.)

25 Loss before insurance reimbursement . . .	
26 Insurance reimbursement	
27 Subtract line 26 from line 25. If line 26 is more than line 25, enter zero	
28 Enter $100 or amount from line 27, whichever is smaller	
29 Total casualty or theft loss(es) (subtract line 28 from line 27). Enter here and on line 37 . . ▶	

Miscellaneous Deductions (See page 18 of Instructions.)

30 Union dues	
31 Other (itemize) ▶ SEE SCHEDULE-12	1,165.
32 Total miscellaneous deductions (add lines 30 and 31). Enter here and on line 38 . ▶	1,165.

Summary of Itemized Deductions **A**
(See page 19 of Instructions.)

33 Total medical and dental—from line 10 . . .	150.
34 Total taxes—from line 16	8,298.
35 Total interest—from line 20	
36 Total contributions—from line 24	692.
37 Total casualty or theft loss(es)—from line 29 . . .	
38 Total miscellaneous—from line 32	1,165.
39 Add lines 33 through 38	10,305.
40 If you checked Form 1040, Filing Status box: 2 or 5, enter $3,400 . . . . . 1 or 4, enter $2,300 . . . . . 3, enter $1,700	1,700.
41 Subtract line 40 from line 39. Enter here and on Form 1040, line 33. (If line 40 is more than line 39, see the Instructions for line 41 on page 19 . . . . ▶	8,605.

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115068-5039-01 202173

Schedules A&B (Form 1040) 1980 hedule B—Interest and Dividend Incon Page 2

Name(s) as shown on Form 1040: GERALDINE A ZACCARO

Your social security number: 100 | 28 | 1620 ☐

Part I Interest Income

1 If you received more than $400 in interest, complete Part I and Part III. Please see page 8 of the instructions to find out what interest to report. Then answer the questions in Part III, below. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 19 of the instructions.

Name of payer	Amount
SEE SCHEDULE 6	
2 Total interest income. Enter here and on Form 1040, line 9	3,044.

Part II Dividend Income

3 If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, complete Part II and Part III. Please see page of the instructions. Write (H), (W), or (J), for stock held by husband, wife, or jointly. Then answer the questions in Part III, below. If you received dividends as a nominee for another, please see page 19 of the instructions.

Name of payer	Amount

4 Total of line 3		
5 Capital gain distributions. Enter here and on line 13 Schedule D. See note below		
6 Nontaxable distributions		
7 Total (add lines 5 and 6)		
8 Dividends before exclusion (subtract line 7 from line 4). Enter here and on Form 1040, line 10A		

Note: If you received capital gain distributions for the year and you do not need Schedule D to report any other gains or losses, do not file that schedule. Instead, enter 40% of your capital gain distributions on Form 1040, line 15

Part III Foreign Accounts and Foreign Trusts

If you are required to list interest in Part I or dividends in Part II, OR if you had a foreign account or were a grantor of, or a transferor to a foreign trust, you must answer both questions in Part III. Please see page 19 of the instructions.

	Yes	No
A At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country (see page 19 of instructions)?		X
B Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A, or 926.		X

B

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SCHEDULE G
(Form 1040)
Department of the Treasury
Internal Revenue Service

Income Averaging

▶ See instructions on back.
▶ Attach to Form 1040.

1980
21 ☐

Name(s) as shown on Form 1040: GERALDINE A ZACCARO

Your social security number: 100 28 1600

Base Period Income and Adjustments	(a) 1st preceding base period year 1979	(b) 2d preceding base period year 1978	(c) 3rd preceding base period year 1977	(d) 4th preceding base period year 1976
1 Enter amount from: Form 1040 (1977, 1978, and 1979)—line 34 Form 1040A (1977 and 1978)—line 10 Form 1040A (1979)—line 11	47,102.	37,769.	21,170.	▨
2 a Multiply $750 by your total number of exemptions in 1977 and 1978	▨	750.	1,500.	▨
b Multiply $1,000 by your total number of exemptions in 1979	2,000.	▨	▨	▨
3 Taxable income (subtract line 2a or 2b from line 1). If less than zero, enter zero	45,102.	37,019.	19,670.	18,571.
4 Income earned outside of the United States or within U.S. possessions and excluded under sections 911 and 931				
5 On your 1980 Form 1040, if you checked box {2 or 5 enter $3,200 / 1 or 4 enter $2,200 / 3 enter $1,600} {in column (d)}	▨	▨	▨	1,600.
6 Base period income (add lines 3, 4 and 5)	45,102.	37,019.	19,670.	20,171.

Computation of Averageable Income

7 Taxable income for 1980 from Schedule TC (Form 1040), Part I, line 3	7	52,283.		▨
8 Certain amounts received by owner-employees subject to a penalty under section 72(m)(5)	8			▨
9 Subtract line 8 from line 7	9	52,283.		▨
10 Excess community income	10			▨
11 Adjusted taxable income (subtract line 10 from line 9). If less than zero, enter zero			11	52,283.
12 Add columns (a) through (d), line 6, and enter here	12	121,962.		
13 Enter 30% of line 12			13	36,589.
14 Averageable income (subtract line 13 from line 11)			14	15,694.

If line 14 is $3,000 or less, do not complete the rest of this form. You do not qualify for income averaging.

G

Computation of Tax

15 Amount from line 13			15	36,589.
16 20% of line 14			16	3,139.
17 Total (add lines 15 and 16)			17	39,728.
18 Excess community income from line 10			18	
19 Total (add lines 17 and 18)			19	39,728.
20 Tax on amount on line 19 (see caution below)			20	15,092.
21 Tax on amount on line 17 (see caution below)	21	15,092.		▨
22 Tax on amount on line 15 (see caution below)	22	13,397.		▨
23 Subtract line 22 from line 21	23	1,695.		▨
24 Multiply the amount on line 23 by 4			24	6,780.
Note: *If no entry was made on line 8 above, skip lines 25 through 27 and go to line 28.*				▨
25 Tax on amount on line 7 (see caution below)	25			▨
26 Tax on amount on line 9 (see caution below)	26			▨
27 Subtract line 26 from line 25			27	
28 Tax (add lines 20, 24, and 27). Enter here and on Schedule TC (Form 1040), Part I, line 4 and check Schedule G box			28	21,872.

Caution: Use Tax Rate Schedule X, Y or Z from the Form 1040 instructions to figure your tax on lines 20, 21, 22, 25 and 26. Do not use the tax tables.

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115068-5039-01 202173

SCHEDULE TC
(Form 1040)
Department of the Treasury
Internal Revenue Service

Tax Computation Schedule

▶ Attach to Form 1040.

1980

Name(s) as shown on Form 1040: GERALDINE A ZACCARO

Your social security number: 100 28 1600

Part I Computation of Tax for Taxpayers Who Cannot Use the Tax Tables

Use this part to figure your tax if:

- Your income on Form 1040, line 34, is more than $20,000 and you checked Filing Status Box 1, 3, or 4 on Form 1040.
- Your income on Form 1040, line 34, is more than $40,000 and you checked Filing Status Box 2 or 5 on Form 1040.
- You had more exemptions than were shown in the Tax Table for your filing status.
- You figure your tax using Schedule G (Income Averaging) or Form 4726 (Maximum Tax on Personal Service Income).

1 Enter the amount from Form 1040, line 34	1	54,283.
2 Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 7	2	2,000.
3 Taxable income. Subtract line 2 from line 1. (Figure your tax on this amount by using the Tax Rate Schedules or one of the other methods listed on line 4.)	3	52,283.
4 Income tax. Enter tax and check if from: ☐ Tax Rate Schedule X, Y, or Z. ☒ Schedule G. or ☐ Form 4726. Also enter on Form 1040, line 35.	4	21,872.

Part II Computation for Certain Taxpayers Who MUST Itemize Deductions

If you are included in one of the groups below, you MUST itemize. If you must itemize and the amount on Schedule A (Form 1040), line 40, is more than your itemized deductions on Schedule A, line 39, you must complete Part II before figuring your tax.

You MUST itemize your deductions if:

A. You can be claimed as a dependent on your parents' return and had interest, dividends, or other unearned income of $1,000 or more and had earned income of less than $2,300 if single (less than $1,700 if married filing a separate return).

Note: *If your earned income is more than your itemized deductions, you don't have to fill in Schedule A. Just enter your earned income in Part II, line 3, of this schedule, unless you are married filing a separate return and your spouse itemizes deductions. Generally, your earned income is the total of any amounts on Form 1040, lines 8, 13, and 19. See page 11 of the instructions for Form 1040 for more details.*

B. You are married filing a separate return and your spouse itemizes deductions. (There is an exception to this rule. You don't have to itemize if your spouse must itemize only because he or she is described in A and enters earned income instead of itemized deductions on Part II, line 3, of this schedule. If this is the case, don't complete Part II. Go back to Form 1040, line 33, and enter $0. Then go to Form 1040, line 34.)

C. You file Form 4563 to exclude income from sources in U.S. possessions. (Please see Form 4563, and Publication 570, Tax Guide for U.S. Citizens Employed in U.S. Possessions, for more details.)

D. You had dual status as a nonresident alien for part of 1980, and during the rest of the year you were either a resident alien or a U.S. citizen. However, you don't have to itemize if at the end of 1980, you were a nonresident alien married to a U.S. resident or citizen and file a joint return reporting your combined worldwide income.

1 Enter the amount from Form 1040, line 31			1	
2 If you checked Form 1040, Filing Status Box: 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700	2		▨	
3 Enter the amount from Schedule A, line 39	3		▨	
Caution: *If you can be claimed as a dependent on your parents' return, see the Note above. Be sure you check the box below line 33 of Form 1040.*				
4 Subtract line 3 from line 2			4	
5 Add lines 1 and 4. Enter here and on Form 1040, line 34. (Leave Form 1040, line 33 blank. Disregard the instruction to subtract line 33 from line 32. Follow the rest of the instructions for Form 1040, line 34.)			5	

TC

The example below may help you to complete Part II.

Example—Walter Green, a single individual, is claimed as a dependent on his parents' return. Walter's adjusted gross income, Form 1040, line 31, is $4,000. Of this amount, $1,500 was earned income from a summer job and $2,500 was unearned income that he received as a beneficiary of a trust. Because Walter is being claimed as a dependent on his parents' return and has unearned income of $1,000 or more and earned income of less than $2,300, he must use Part II of Schedule TC. Walter knows that his total itemized deductions are only $500. Since this is less than his earned income ($1,500), he does not have to complete Schedule A. Walter enters $2,300, the zero bracket amount for a single individual, on line 2 of Part II and his earned income on line 3. He completes Part II as shown below and enters the total of $4,800 on Form 1040, line 34. He then figures his tax using the Tax Tables as explained in the instructions for lines 34 and 35 on page 12.

1 Adjusted gross income		$4,000
2 Zero bracket amount for a single individual	$2,300	
3 Earned income	1,500	
4 Subtract line 3 from line 2		800
5 Add lines 1 and 4. Enter here and on Form 1040, line 34		$4,800

Note: *If Walter's itemized deductions are more than his earned income, he must complete Schedule A first.*

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115068-5039-01 202173

Form **2106**
Department of the Treasury
Internal Revenue Service

Employee Business Expenses

(Please use Form 3903 to figure moving expense deduction.)
▶ Attach to Form 1040.

1980 ☐

Your name: GERALDINE A ZACCARO
Social security number: 100: 28: 1600
Occupation in which expenses were incurred: CONGRESS US
Employer's name:
Employer's address:

Instructions

Use this form to show your business expenses as an employee during 1980. Include amounts:

- You paid as an employee;
- You charged to your employer (such as by credit card);
- You received as an advance, allowance, or repayment.

Several publications, available from IRS, give more information about business expenses:

Publication 463, *Travel, Entertainment, and Gift Expenses.*

Publication 529, *Miscellaneous Deductions.*

Publication 587, *Business Use of Your Home.*

Publication 508, *Educational Expenses.*

Part I.—You can deduct some business expenses even if you do not itemize your deductions on Schedule A (Form 1040). Examples are expenses for travel (except commuting to and from work), meals, or lodging. List these expenses in Part I and use them in figuring your adjusted gross income on Form 1040, line 31.

Line 2.—You can deduct meals and lodging costs if you were on a business trip away from your main place of work. Do not deduct the cost of meals you ate on one-day trips, when you did not need sleep or rest.

Line 3.—If you use your own car in your work, you can deduct the cost of the business use. Enter the cost here after figuring it in Parts IV, V, and VI. Base the cost on your actual expenses (such as gas, oil, repairs, depreciation) or on a mileage rate.

The mileage rate is 20 cents a mile up to 15,000 miles. After that, or for all business mileage on a fully depreciated car, the rate is 11 cents a mile. A car whose cost is being figured under the mileage rate is considered to have a useful life of 5 years. If in any year actual expenses are claimed using a useful life of less than 5 years, use of the mileage rate after that shorter useful life will be limited to 11¢ per mile. (For depreciation, see Publication 463.)

Figure your mileage rate amount and add it to the business part of what you spent on the car for parking fees, tolls, interest, and State and local taxes (except gasoline tax).

Line 4.—If you were an outside salesperson with other business expenses, list them on line 4. Examples are selling expenses or expenses for stationery and stamps. An outside salesperson does all selling outside the employer's place of business. A driver-salesperson whose main duties are service and delivery, such as delivering bread or milk, is not an outside salesperson. (For outside salesperson, see Publication 463.)

Line 5.—Show other business expenses on line 5 if your employer repaid you for them. If you were repaid for part of them, show here the amount you were repaid. Show the rest in Part II.

Part II.—You can deduct other business expenses only if (a) your employer did not repay you, and (b) you itemize your deductions on Schedule A (Form 1040). Report these expenses here and under Miscellaneous Deductions on Schedule A. Examples are union or professional dues and expenses for tools and uniforms. (For details, see Publication 529.)

You can deduct expenses for business use of the part of your home that you exclusively and consistently use for your work. If you are not self-employed, your working at home must be for your employer's convenience. (For business use of home, see Publication 587.)

If you show education expenses in Part I or Part II, you must fill out Part III.

Part III.—You can deduct the cost of education that helps you keep or improve your skills for the job you have now. This includes education that your employer, the law, or regulations require you to get in order to keep your job or your salary. Do not deduct the cost of study that helps you meet the basic requirements for your job or helps you get a new job. (For education expenses, see Publication 508.)

Part V.—If you trade in a car you used in business for a new one you also used in business, fill out lines 1 through 15. If you paid cash for the new car or traded in a car not used in business, fill out only lines 10 through 15. Refigure the basis for depreciation each year in the future that your percentage of business use changes.

PART I.—Employee Business Expenses Deductible in Figuring Adjusted Gross Income on Form 1040, Line

1 Fares for airplane, boat, bus, taxicab, train, etc.	
2 Meals and lodging	
3 Car expenses (from Part IV, line 21)	
4 Outside salesperson's expenses (see Part I instructions above) ▶ SEE FORM 71	2,897.
5 Other (see Part I instructions above) ▶	
	2,897.
6 Add lines 1 through 5	
7 Employer's payments for these expenses if not included on Form W–2	
8 Deductible business expenses (subtract line 7 from line 6). Enter here and include on Form 1040, line 24	2,897.
9 Income from excess business expense payments (subtract line 6 from line 7). Enter here and include on Form 1040, line 21	

PART II.—Employee Business Expenses that are Deductible Only if You Itemize Deductions on Schedule A (Form 1040)

1 Business expenses not included above (list expense and amount) ▶	
2 Total. Deduct under Miscellaneous Deductions, Schedule A (Form 1040)	

PART III.—Information About Education Expenses Shown in Part I or Part II

1 Name of educational institution or activity ▶

2 Address ▶

3 Did you need this education to meet the basic requirements for your job? ☐ Yes ☐ No

4 Will this study program qualify you for a new job? ☐ Yes ☐ No

5 If your answer to question 3 or 4 is No, explain (1) why you are getting the education and (2) what the relationship was between the courses you took and your job. (If you need more space, attach a statement) ▶

6 List your main subjects, or describe your educational activity ▶

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PART IV.—Car Expenses (Use either your actual expenses or the mileage rate)

	Car 1	Car 2	Car 3
A. Number of months you used car for business during	months	months	months
B. Total mileage for months in line A	miles	miles	miles
C. Business part of line B mileage	miles	miles	miles
Actual Expenses (include expenses for only the months shown in line A, above.)			
1 Gasoline, oil, lubrication, etc.			
2 Repairs			
3 Tires, supplies, etc.			
4 Other: (a) Insurance			
(b) Taxes			
(c) Tags and licenses			
(d) Interest			
(e) Miscellaneous			
5 Total (add lines 1 through 4(e))			
6 Business percentage of car use (divide line C by line B, above)	%	%	%
7 Business part of car expense (multiply line 5 by line 6)			
8 Depreciation (from Part VI, column (h))			
9 Divide line 8 by 12 months			
10 Multiply line 9 by line A, above			
11 Total (add line 7 and line 10; then skip to line 19)			

Mileage Rate

12 Enter the smaller of (a) 15,000 miles or (b) the combined mileages from line C, above	miles
13 Multiply line 12 by 20¢ (11¢ if car is fully depreciated) and enter here	
14 Enter any combined mileage from line C that is over 15,000 miles	miles
15 Multiply line 14 by 11¢ and enter here	
16 Total mileage expense (add lines 13 and 15)	
17 Business part of car interest and State and local taxes (except gasoline tax)	
18 Total (add lines 16 and 17)	

Summary:

19 Enter amount from line 11 or line 18, whichever you used	
20 Parking fees and tolls	
21 Total (add lines 19 and 20). Enter here and in Part I, line 3	

PART V.—Basis for Depreciation of Car Used in Business (See instructions on front)

Trade-in of Old Car:

1 (a) Total mileage at trade-in	miles
(b) Business mileage	miles
(c) Business percentage (divide line (b) by line (a))	%
2 Purchase price or other basis	
3 Trade-in allowance	
4 Difference (subtract line 3 from line 2)	
5 Multiply line 4 by percentage on line 1(c)	
6 Gain or (loss) on previous trade-in	
7 Balance of lines 5 and 5 (subtract gain or add (loss))	
8 Depreciation allowed or allowable	
9 Gain or (loss) on business part (Subtract line 7 from line 8 for gain; or line 8 from line 7 for (loss)).	

New Car:

10 Purchase price or other basis	
11 Estimated salvage value	
12 Difference (subtract line 11 from line 10)	
13 Multiply line 12 by the percentage on line 6 of Part IV	
14 Enter gain or (loss) from line 9	
15 Basis for depreciation (Balance of lines 13 and 14: subtract gain or add (loss))	

PART VI.—Car Depreciation

Make and model of car (a)	Date acquired (b)	Basis (from line 15, Part V) (c)	Age of car when acquired (d)	Depreciation allowed in previous years (e)	Method of figuring depreciation (f)	Rate (%) or life (years) (g)	Depreciation this year (h)

TRIPLICATE

84,342

FORM 11 – 1980 REGULAR +® 7 PAYER IDENTIFICATION DATA, INCOME AVE ING. PARER OPTIONS ESTIMATED TAX & 2210 INF ATION 5039 01 OMIT CENTS

PREPARER'S NAME	(1)	(8) TAXPAYER'S S.S. NO. (16)			(17-18)	ACCOUNT NO.	R #
SELGERA BRESSMAN	3	100	23	1600	11	10 115068	11 727759

(20-21)	(22) TAXPAYER'S FIRST NAME & INIT (37)	(38) SPOUSE'S FIRST NAME & INIT. (63)	(64) LAST NAME (70)	(71) SPOUSE'S S.S. NO. (79)
01	GERALDINE A		ZACCARD	

02	(22) STREET ADDRESS (44)	(45) CITY (63)	(64) COUNTY (79)
	22 DEEPDANE RD	FOREST HILLS	QUEENS

03	(22) STATE (36)	(37) ZIP (41)	(42) TAXPAYER'S OCCUPATION (63)	(64) SPOUSE'S OCCUPATION (79)
	NY	11375	CONGRESS US	

04	(22) CARE OF NAME (70)

05	ENTER SPOUSE'S FULL NAME IF MARRIED FILING SEPARATELY	(22) SPOUSE'S NAME (63)	(64) SPOUSE'S S.S. NO. (62)	(63) NAME OF PERSON QUALIFYING TAXPAYER AS UNMARRIED HEAD OF HOUSEHOLD (80)
		JOHN A ZACCARO	061 30 8534	

06	REVENUE SHARING	ENTER ONLY IF DIFFERENT THAN ADDRESS ABOVE		(D.) IN WHAT TOWNSHIP DO YOU LIVE?	(B.) DO YOU LIVE WITHIN THE LEGAL LIMITS OF A CITY, VILLAGE, ETC.?
	(22) (A) STATE (26)	(27) CITY, VILLAGE, BOROUGH, ETC. (36)	(37) (C) COUNTY (52)	(53) (62)	DIGIT 1 = NO BLANK = YES 56

FILING STATUS ENTER ONE OF THE FOLLOWING	1. SINGLE 2. MARRIED — JOINT 3. HEAD OF HOUSE *4. SURV. WIDOW(ER) 5. MARRIED — SPOUSE NOT FILING	MARRIED — FILING SEPARATE SPOUSE IS FILING 6. ITEMIZED 7. STAND. DEDUCTION 8. LOWEST METHOD	12	6

DATE DECEASED ENTER MO. DAY YR.	TAXPAYER	13		SPOUSE	14	
*ENTER YEAR SPOUSE DIED FOR FILING STATUS 4 (TWO DIGITS)					15	

RESIDENT SCHOOL CODES N.Y. MICH. OHIO & PA		EXTRA EXEMPTIONS ENTER DIGIT 1	AGE 65 OR OVER				BLIND			
			SELF		SPOUSE		SELF		SPOUSE	
16	519		17		18		19		20	

STATE/CITY RESIDENT & NON-RESIDENT RETURN CODING (ENTER DIGIT 1 TO REQUEST PROPER RETURN)

N.Y. STATE RESIDENT		21	1	N.J. RESIDENT	26	
N.Y. CITY RESIDENT		22	1	N.J. TT 200 AND N.J. 1040 NR — TAXPAYER	27	
N.Y. CITY NON RESIDENT		23		N.J. TT 200 AND N.J. 1040 NR — SPOUSE	28	
N.Y. STATE NON-RESIDENT	TAXPAYER	24		CONN. RESIDENT	29	
N.Y. STATE NON-RESIDENT	SPOUSE	25		NO STATE RETURN	30	
OTHER RESIDENT CODES— ENTER 2 DIGIT CODES		31		MD. COUNTY CODES, MICH. & OHIO RESIDENT CITY CODES	32	

FEDERAL INCOME AVERAGING REFER TO FORM 27 FOR FOREIGN INCOME, ETC.			ENTER DIGIT 1 TO SUPPRESS INCOME AVERAGING	33	
1979 TAX TABLE INCOME	34	47102	NO. OF 1979 TOTAL EXEMPTIONS	35	2
1978 TAX TABLE INCOME	36	37769	NO. OF 1978 TOTAL EXEMPTIONS	37	1
1977 TAX TABLE INCOME	38	21170	NO. OF 1977 TOTAL EXEMPTIONS	39	2

PREPARER'S OPTIONS			ENTER TAXABLE INCOME 1978	40	18571	
DROP POINT	41	38	CLIENT LABELS 3 OR 6	42		
PRESIDENTIAL ELECTION CAMPAIGN FUND ENTER DIGIT 1	43	1	DO NOT PRINT FIRM NAME ON FORM	44		
COULD TAXPAYER BE CLAIMED ON PARENT'S RETURN?	45		TAXPAYER INVOICE	47		
POLITICAL CONTRIBUTIONS — TAXPAYER	48	750	SPOUSE	49		

PREPARER'S SOCIAL SECURITY NUMBER ENTER 9 DIGIT NUMBER				ENTER DIGIT 1 IF PREPARER IS SELF-EMPLOYED	
50	062	51	074105	52	1
ADP TO MATH INPUT	53	1	DO NOT PREPARE DIAGNOSTIC	54	1

ESTIMATED TAX INFORMATION

1980 ESTIMATED TAX (INCLUDE 1979 OVERPAYMENT CREDITED TO 1980 ESTIMATE PLUS PAYMENTS MADE ON 1980 TAX)	FED.	57	
	RES. STATE	58	
	CITY	59	
ENTER AMOUNT OF 1980 OVERPAYMENT TO BE CREDITED TO 1981 ESTIMATE – OR – ENTER DIGIT 1 IF OVERPAYMENT IS TO BE CREDITED. ENTER DIGIT 2 IF ESTIMATE IS TO BE THE EXACT AMOUNT OF THE OVERPAYMENT. ENTER DIGIT 3 IF THE OVERPAYMENT IS TO BE APPLIED TO THE FIRST INSTALLMENT ONLY. ANY EXCESS TO BE REFUNDED.	FED.	60	
	RES. STATE	61	
	CITY	62	
ENTER ESTIMATED W-2 WITHHOLDING TAX FOR 1981 IF DIFFERENT THAN 1980 WITHHOLDING TAX.	FED.	63	
	RES. STATE	64	
	CITY	65	
ENTER EXACT DOLLAR AMOUNT OF ESTIMATE DESIRED OR ENTER DIGIT 1 IF ESTIMATE IS TO BE BASED ON THE TOTAL 1980 TAX LIABILITY LESS INCOME TAXES WITHHELD.	FED.	66	
	RES. STATE	67	
	CITY	68	
ENTER NUMBER OF PAYMENTS DESIRED: DIGIT 1 – TOTAL DUE 4/15/81 DIGIT 2 – TOTAL DUE 1/15/82 DIGIT 3 – BLANK ESTIMATE IF BLANK – QUARTERLY ESTIMATE ASSUMED	FED.	69	
	RES. STATE	70	
	CITY	71	

FORM 2210 INFORMATION – REFER TO INSTRUCTIONS

EXCEPTION 1: 1979 TAX INCLUDING SCH. SE TAX	72	
EXCEPTION 2: TAX ON 1979 INCOME USING 1980 RATES AND EXEMPTIONS.	73	
ENTER DIGIT 1 IF THE COMPUTED PENALTY IS TO BE PRINTED ON FORM 1040 PAGE 2, LINE 66.	74	

ENTER BELOW THE AMOUNTS PAID ON ESTIMATED TAX FOR EACH PERIOD AND THE TAX WITHHELD. REFER TO INSTRUCTIONS

APR. 15, 1980		JUNE 15, 1980		SEPT. 15, 1980		JAN. 15, 1981	
75		76		77		78	

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93	A-M 021	94	1	95	2	96	
97	KP 10 [illegible]	98	KV [illegible]	92	KM		

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84.042

P 503901

FORM 12 – DEPENDENTS, OTHER DEPENDENTS WAGES & OTHER INCOME – 1980

TAXPAYER(S) NAME: GERALDINE A ZACCARO 100 28 1600

ACCOUNT NO	(17) (18)
115068	12

SCHEDULE 1 – DEPENDENT CHILDREN WHO LIVED WITH TAXPAYER

NOTE FOR STATE PURPOSES ENTER "S" FOR SON, "D" FOR DAUGHTER AND THEIR AGE (REFER TO INSTRUCTIONS)

FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	TOTAL CHILDREN
												11

SCHEDULE 2 – OTHER DEPENDENTS

NAME	RELATIONSHIP	NO. MOS IN HOME	DID DEPENDENT HAVE INCOME OF $1000 OR MORE?	DID YOU PROVIDE MORE THAN ONE-HALF OF DEPENDENT SUPPORT?	TOTAL OTHER DEPENDENTS
ANTOINETTE	MOTHER		NO	YES	12 1

SCHEDULE 3 – INCOME FROM WAGES, SALARIES & TIPS

(IF GROSS WAGES ARE NOT EQUAL TO FICA WAGES SEE INSTRUCTIONS)

NAME OF EMPLOYER	H/W	F.W.T.	GROSS	F.I.C.A	S.W.T.	C.W.T.
SERGEANT AT ARMS						
U.S. HOUSE OF REPS.		17583	60663		5988	

ADVANCED EARNED INCOME PAYMENTS RECEIVED								
TAXPAYER	13	TOTAL – TAXPAYER	14 17583	15 60663	16	17 5988	18
SPOUSE	19	TOTAL – SPOUSE	20	21	22	23	24

SCHEDULE 3A NON-RESIDENT WAGES

DO NOT DUPLICATE YOUR ENTRIES ON THE STATE SHEETS

NEW YORK STATE IT 203		NEW YORK CITY NYC 203 MICH. CITY NON-RESIDENTS		1040SE – LINES 7 & 15(A) ADJUSTMENTS ENTER FICA WAGES AS INDICATED ON FORM W-2 THAT HAVE BEEN INCLUDED IN SCHEDULE C GROSS RECEIPTS	
TAXPAYER	SPOUSE	TAXPAYER	SPOUSE	TAXPAYER	SPOUSE
25	26	27	28	29	30

SCHEDULE 4 – OTHER INCOME

	H.W OR J	FEDERAL TAXABLE INCOME	RESIDENT STATE INCOME TAXPAYER	RESIDENT STATE INCOME SPOUSE	TAXPAYER	SPOUSE
FULLY TAXABLE PENSIONS AND ANNUITIES		47	48	49	PENSION EXCLUSION FOR RESIDENT STATE RETURNS (ENTER AS POSITIVE)	
STATE AND/OR LOCAL INCOME TAX REFUNDS		50	51	52	74	75
ALIMONY RECEIVED		53	54	55	MISCELLANEOUS INCOME (LOSS) SUBJECT TO SELF EMPLOYMENT TAX	
NET OPERATING LOSS		56 ( )	57 ( )	58 ( )	76	77
EXCLUSION FROM FORM 2555		59 ( )	60 ( )	61 ( )	PERSONAL SERVICE INCOME INCLUDED IN MISCELLANEOUS INCOME FOR MAXIMUM TAX COMPUTATION (NOTE INCLUDE INCOME FROM QUALIFYING PENSIONS & ANNUITIES)	
COMMISSION OR FEE INCOME						
DIRECTORS FEES						
GROUP INSURANCE		678			78 1400	79
HONORARIUMS		1400			UNEMPLOYMENT COMPENSATION	
					ENTER TOTAL AMOUNT RECEIVED	
					80	81
					ENTER DIGIT 1 IF TAXPAYER IS MARRIED FILING SEPARATELY AND LIVING WITH SPOUSE	82
TOTALS →		71 2078	72	73		

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FORM 13 – DIVIDEND INCOME – 1980

GERALDINE A ZACCARD 100 28 1600 P

ACCOUNT NO	(17) (18
115068	13

13	SCHEDULE 5 – DIVIDEND INCOME *IF SCHEDULE "D" IS NOT USED THE COMPUTER WILL CALCULATE 40% CAP. GAIN DIST. AS MISC. INCOME	H.W. OR J	QUALIFYING	*CAP GAIN DISTRIBUTIONS	NONTAXABLE	NON-QUALIFYING	N.J. & P.A. STATE AMOUNT

RECAP TOTALS ONLY							
	TAXPAYER		TOTAL – TAXPAYER	11	12	13	14	23
	SPOUSE		TOTAL – SPOUSE	15	16	17	18	24
	JOINT		TOTAL – JOINT INC	19	20	21	22	25
	GROSS DIV							

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FORM 14 – INTEREST INCOME – 1980

(17)(18) 14

14	SCHEDULE 6 – INTEREST INCOME	H.W. OR J	FEDERAL AMOUNT	STATE MODIFICATION	MASS. 5% INTEREST
	EAST RIVER SAV.		1614		
	RIDGEWOOD SAV.		1234		
	LONG HOUSE FED CR		196		

TAXPAYER	11 3 044	12	30
SPOUSE	13	14	31
JOINT INC	15	16	32

STATE MODIFICATION OF INTEREST INCOME

ENTER STATE- NONTAXABLE PORTION OF FEDERAL INTEREST INCOME IN THE STATE MODIFICATION COLUMN AS A NEGATIVE(-)

ENTER FEDERAL NONTAXABLE INTEREST INCOME WHICH IS TO BE PICKED UP FOR STATE RETURN IN THE STATE MODIFICATION COLUMN AS A POSITIVE.

ENTER NET MODIFICATION IN THE APPROPRIATE BOX(ES)

FORFEITED INTEREST PENALTY FOR PREMATURE WITHDRAWAL

17 18

FOREIGN ACCOUNTS AND FOREIGN TRUSTS

ENTER DIGIT 1 IF THE TAXPAYER(S) HAD A FOREIGN BANK ACCOUNT, ETC., DURING THE TAXABLE YEAR. IF YES, SEE PAGE 19 OF IRS INSTRUCTIONS. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER 20

ENTER DIGIT 1 IF THE TAXPAYER(S) WERE GRANTORS OR TRANSFERORS OF A FOREIGN TRUST DURING THE TAXABLE YEAR. IF YES, ATTACH FORM 3520, 3520A, OR 926 TO THE RETURN. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER. 21

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84-042

FORM 15 – ITEMIZED DEDUCTIO~~ – 1980

P

ACCOUNT NO.	(17) (18)
115068	15

TAXPAYERS NAME: GERALDINE A ZACCARO 100 28 1602

SCHEDULE 7 – MEDICAL & DENTAL		
MEDICAL INSURANCE PREMIUMS IN FULL	11	300
MEDICINE AND DRUGS BEFORE EXCLUSION	12	
6a DOCTORS, DENTISTS, ETC. (RECEIPTS & CHECKS)	13	
6b HOSPITALS	14	
6c OTHER MEDICAL (DO NOT DUPLICATE ENTRY OF DRS. ETC.)		
GLASSES, HEARING AIDS, ETC.		
LAB FEES & X-RAYS		
MEDICAL SUPPLIES		
MEDICAL TRAVEL @ 9¢ MILE		
MEDICAL INSURANCE REIMBURSEMENTS		( )
TOTAL MEDICAL (TOTAL OF ALL ITEMS)→	21	300

SCHEDULE 8 – TAXES		
RECAP OF STATE &/OR CITY TAX PAYMENTS		
1. 1980 WITHHOLDING		5988
2. 1980 ESTIMATED TAX PAYMENTS MADE IN 1980...		
3. 4TH QUARTER 1979 ESTIMATE PAID IN 1980		
4. BALANCE PAID WITH 1979 RETURN		1495
5. OTHER PAYMENTS MADE DURING 1980		
STATE AND LOCAL INCOME (TOTAL LINES 1 TO 5)	50	7483
REAL ESTATE TAX	51	
GENERAL SALES OPTIONAL COMPUTATION BELOW	52	815
PERSONAL PROPERTY	53	
SALES TAX ON NEW AUTO		
SALES TAX ON MAJOR PURCHASES		
STOCK TRANSFER TAX		
NEW JERSEY STATE UNEMPLOYMENT		
FEDERAL DEDUCTIBLE TAXES ——→	60	8298

INFORMATION FOR SALES TAX COMPUTATION			
ENTER DIGIT 1 FOR OPTIONAL COMPUTATION——	70		
ENTER PERCENT TO ADD TO TABLE (ROUNDED TO NEAREST %)	71	.	%
INCREASE OR (DECREASE) AGI	72		

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84,042

ACCOUNT NO.	(17-18)
115068	17

FORM 17 – ITEMIZED DEDUCTIONS (CONTINUED) 1980

P

TAXPAYERS NAME: GERALDINE A ZACCARO 100 28 1600

SCHEDULE 9 – CONTRIBUTIONS		
CASH CONTRIBUTIONS (RECEIPTS & CHECKS)	11	692
CHURCH		
TEMPLE		
UNITED JEWISH APPEAL		
UNITED FUND		
HEART FUND		
CANCER FUND		
CAR EXPENSE FOR CHARITY @ 9¢ MILE		
BOY/GIRL SCOUTS		
MISCELLANEOUS ORGANIZED CHARITIES		
CONTRIBUTION OTHER THAN CASH	23	
CONTRIBUTION CARRYOVER (ATTACH STATEMENT) 50%	24	
CONTRIBUTION CARRYOVER (ATTACH STATEMENT) 30%	25	
CURRENT YEAR CONTRIBUTIONS SUBJECT TO: (ATTACH STATEMENT) 30% LIMITATION	26	
CURRENT YEAR CONTRIBUTIONS SUBJECT TO: (ATTACH STATEMENT) 20% LIMITATION	27	
TOTAL CONTRIBUTIONS →	28	692
SCHEDULE 10 – CASUALTY OR THEFT LOSSES		
25. LOSS BEFORE REIMBURSE. (DO NOT MAKE ENTRIES IF MORE THAN 1 CASUALTY OR THEFT LOSS)	30	
26. INSURANCE REIMBURSEMENT. (DO NOT MAKE ENTRIES IF MORE THAN 1 CASUALTY OR THEFT LOSS)	31	( )
27. SUBTRACT LINE 26 FROM LINE 25.		
28. ENTER SMALLER OF $100 OR LINE 27.		(100)
29. CASUALTY OR THEFT LOSS (LINE 27 LESS LINE 28) (IF MORE THAN ONE LOSS – SEE INSTRUCTIONS)	32	

SCHEDULE 11 – INTEREST EXPENSE		
HOME MORTGAGE	40	
CREDIT AND CHARGE CARDS	41	
AUTO LOAN		
FINANCE CO.		
HOME IMPROVEMENT LOAN		
BANK LOAN		
MARGIN ACCOUNT		
TOTAL INTEREST →	50	
SCHEDULE 12 – MISCELLANEOUS DEDUCTIONS		
UNION DUES	60	
INVESTMENT EXPENSES		
TAX PREPARATION FEE		
SAFE DEPOSIT BOX		
PROFESSIONAL DUES		
BUSINESS PUBLICATIONS		
EDUCATION EXPENSES		
UNIFORMS		
WORK TOOLS		
OFFICE IN HOME		
BUSINESS ENTERTAINMENT AND GIFTS		
SCHEDULE		1165.
TOTAL MISCELLANEOUS DEDUCTIONS →	72	1165

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FORM 71 – REGULAR + – F. .M 2106 – EMPLOYEE BUSINESS EX. NSES – 1980 P

ENTER BELOW IN BOX 18 DIGIT 1 FOR TAXPAYER DIGIT 2 FOR SPOUSE ↓		
ACCOUNT NO.	(17)	(18)
111068	7	1

TAXPAYER(S) NAME GERALDINE A. ZACCARO

EMPLOYER'S NAME	OCCUPATION		
EMPLOYER'S ADDRESS	CITY	STATE	ZIP

ENTER DIGIT 1 (EQUALS 100%) OR ENTER TWO-DIGIT PERCENTAGE (IF LESS THAN 100%) TO TRANSFER EMPLOYEE BUSINESS EXPENSES TO N.Y. STATE NONRESIDENT & THE MICHIGAN CITY AND CLEVELAND CCA 11

PART IV – CAR EXPENSES – ENTER OPTIONAL AND/OR REGULAR METHOD INFORMATION AS APPLICABLE

A. MONTHS AUTO HELD FOR BUSINESS USE	12		CAR INTEREST	40	
B. TOTAL MILEAGE FOR MONTHS IN (A) ABOVE	13		STATE AND LOCAL TAXES OTHER THAN GASOLINE	41	
C. ENTER ONLY ONE: ACTUAL MILES APPLICABLE TO BUSINESS	14		ENTER DIGIT 1 IF CAR IS FULLY DEPRECIATED (11 CENTS A MILE)		
OR DECIMAL FRACTION OF MILEAGE APPLICABLE TO BUSINESS	15			42	

REGULAR METHOD INFORMATION: ENTER DIGIT 1 IF OPTIONAL METHOD IS NOT AVAILABLE FOR AUTO ⟶ 16

1. GASOLINE, OIL, LUBRICATION, ETC.	17		2. REPAIRS	20	
3. TIRES, SUPPLIES, ETC.	18		4. INSURANCE	21	
4. TAGS AND LICENSES	19		4. OTHER – ITEMIZE BELOW	22	
8. DEPRECIATION – ATTACH SCHEDULE				23	
PARKING FEES AND TOLLS (FOR BUSINESS USE ONLY)				24	

PART 1 – EMPLOYEE BUSINESS EXPENSES WHICH ARE DEDUCTIBLE IN FIGURING ADJUSTED GROSS INCOME ON FORM 1040

AIRPLANE, BOAT, RAILROAD FARES	27		DINNER AND MEAL EXPENSES		ADVERTISING, EXHIBIT FEES		
MEALS AND LODGING	28		ENTERTAINMENT		GIFTS		
TAXIS, BUS AND SUBWAY FARES			COMMISSIONS PAID		OFFICE SUPPLIES & EXPENSES		
AUTO RENTAL CHARGES			TELEPHONE & TELEGRAMS		DUES & SUBSCRIPTIONS		
TIPS AND BAGGAGE CHARGES			STATIONERY & POSTAGE		PUBLIC STENOGRAPHER FEES		
OTHER TRAVEL EXPENSES			INSURANCE		OTHER – ITEMIZE BELOW		
DEPRECIATION – ATTACH SCHEDULE			PROFESSIONAL FEES		TOTAL	64	2399

CONGRESSIONAL EXPENSES

EMPLOYER'S REIMBURSEMENTS — ENTER THE AMOUNT OF EMPLOYER'S PAYMENTS FOR THESE EXPENSES IF NOT INCLUDED ON FORM W-2. 25

PART II – EMPLOYEE BUSINESS EXPENSES WHICH ARE DEDUCTIBLE IF YOU ITEMIZE DEDUCTIONS ON SCHEDULE A (FORM 1040)

TELEPHONE		ENTERTAINMENT	
OFFICE-IN-HOME		GIFTS	
EDUCATION EXPENSE		OTHER – ATTACH STATEMENT TO RETURN	

PART II, LINE 1 – TOTAL BUSINESS EXPENSES ITEMIZED DEDUCTIONS – 75

OTHER BUSINESS EXPENSES – ITEMIZE AND INDICATE APPLICABLE LINE REFERENCE

PART III – INFORMATION ABOUT EDUCATION EXPENSES SHOWN IN PART I OR PART II

1) NAME OF EDUCATIONAL INSTITUTION OR ACTIVITY

2) ADDRESS

3) DID TAXPAYER NEED THIS EDUCATION TO MEET BASIC REQUIREMENTS FOR HIS JOB? YES

4) WILL THIS STUDY PROGRAM QUALIFY TAXPAYER FOR A NEW JOB? YES

5) IF ANSWER TO 3 OR 4 IS NO, EXPLAIN WHY TAXPAYER IS GETTING THE EDUCATION AND THE RELATIONSHIP BETWEEN THE COURSES AND THE JOB.

6) LIST MAIN SUBJECTS OR DESCRIBE EDUCATIONAL ACTIVITY

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#115068

STATEMENT OF CONGRESSIONAL REIMBURSEMENTS AND EXPENSES

GERALDINE A. FERRARO — 1980

NOTE: Before preparing this statement, please read the accompanying information. Some reimbursements are not includible in gross income and other reimbursements, in some circumstances, need not be reported on your return. Do not include amounts received from non-Congressional sources. You may use Form 2106 in place of this statement (attached).

Congressional Reimbursements for Expenses

1. Reimbursement at the rate of 20 cents a mile for one round trip to the home district during each regular session $103.
2. Reimbursement for other travel expenses
3. Reimbursement for other deductible expenses (if any)
4. Reimbursement for nondeductible expenses (if any)
5. Total reportable reimbursements $103

Expenses Deductible as Adjustments to Income

6. Travel expenses: Living expenses in the Washington, D.C. area. The maximum amount allowable is $3,000 (Internal Revenue Code USC 26 § 162(A)) 5524 $3000
7. Travel expenses: Other (attach detailed statement)
8. Other expenses (limited to amount on line 3)
9. Total expenses $3000.
10. Excess reimbursement (excess of line 5 over line 9. Include on Form 1040, line 21) $
11. Deductible expenses (excess of line 9 over line 5. Include on Form 1040, line 24) $2897

Expenses Deductible as Itemized Deductions

NOTE: These expenses include deductible Congressional expenses, other than for travel, which were not reimbursed by Congressional allowances. They include those expenses which may have been reimbursed from outside sources, such as contributed funds. Specify the kind of expense and total all expenses of the same kind. If additional space is needed, list the expenses on a separate sheet. Write "See separate sheet attached" on line 12 and enter the total amount on line 13.

12. DUES STATIONERY AND OTHER $
MISC. EXPENSES $1165.

13. Total expenses deductible. Include on line 31, Schedule A (Form 1040) $1165

3-115068-1561-6 2,414

1040 Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return **1981**

EXHIBIT NO. 11

For the year January 1-December 31, 1981, or other year beginning , 1981 ending 19 | OMB No. 1545-0074

GERALDINE A ZACCARO
22 DEEPDANE RD
FOREST HILLS, NY 11375

Your social security number: 100-28-1600
Spouse's social security no.: 061-30-8534
Your occupation: CONGRESS US
Spouse's occupation:

Presidential Election Campaign Fund ▶ Do you want $1 to go to this fund? ☒ Yes ☐ No
If joint, does your spouse want $1 to go to this fund? ☐ Yes ☐ No
Note: Checking Yes will not increase your tax or reduce your refund.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Filing Status Check only one box
1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Spouse's full name ▶ JOHN A ZACCARO
4 ☐ Head of household, (with qualifying person). (See page 6 of Instructions). If he or she is your unmarried child, enter child's name ▶
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions).

Exemptions Always check the box labeled Yourself. Check other boxes if they apply.
6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1
c First names of your dependent children who lived with you ▶
Enter number of children listed on 6c ▶

d Other dependents: (1) Name and Relationship	(2) Number of months lived in your home	(4) Did dependent have income of $1000 or more?	(5) Did you provide more than one-half of dependent's support?
SEE SCHEDULE-2			

Enter number of other dependents ▶ 1
e Total number of exemptions claimed — Add numbers entered in boxes above ▶ 2

Income
Please attach Copy B of your Forms W-2 here.
If you do not have a W-2 see page 5 of Instructions.
Please attach check or money order here.

7	Wages, salaries, tips, etc.			7	60,663
8a	Interest income (attach Schedule B if over $400 or you have any All-Savers interest)	8a	5,358		
b	Dividends (attach Schedule B if over $400)	8b			
c	Total. Add lines 8a and 8b	8c	5,358		
d	Exclusion. (See page 9 of Instructions)	8d	200		
e	Subtract line 8d from line 8c (but not less than zero)			8e	5,158
9	Refunds of State and local income taxes (do not enter an amount unless you deducted these taxes in an earlier year - see page 9 of Instructions.)			9	
10	Alimony received			10	
11	Business income or (loss) (attach Schedule C) ▶			11	
12	Capital gain or (loss) (attach Schedule D)			12	
13	40% of capital gain distributions not reported on line 12 (See page 9 of Instructions)			13	
14	Supplemental gains or (losses) (attach Form 4797)			14	
15	Fully taxable pensions and annuities not reported on line 16			15	
16a	Other pensions and annuities. Total received	16a			
b	Taxable amount, if any, from worksheet on page 10 of Instructions			16b	
17	Rents, royalties, partnerships, estates, trusts, etc. (attach Schedule E)			17	2,962
18	Farm income or (loss) (attach Schedule F) ▶			18	
19a	Unemployment compensation (insurance). Total received	19a			
b	Taxable amount, if any, from worksheet on page 10 of Instructions			19b	
20	Other income (state nature and source—see page 11 of Instructions) ▶ SEE SCHEDULE-4			20	2,232
21	Total income. Add amounts in column for lines 7 through 20 ▶			21	71,015

Adjustments to Income (See Instructions on page 11)

22	Moving expense (attach Form 3903 or 3903F)	22			
23	Employee business expenses (attach Form 2106)	23	19,548		
24	Payments to an IRA (enter code from page 11)	24			
25	Payments to a Keogh (H.R. 10) retirement plan	25			
26	Interest penalty on early withdrawal of savings	26			
27	Alimony paid	27			
28	Disability income exclusion (attach Form 2440)	28			
29	Other adjustments - see page 12 ▶	29			
30	Total adjustments. Add lines 22 through 29 ▶			30	19,548

COPY

Adjusted Gross Income

31	Adjusted gross income. Subtract line 30 from line 21. If this line is less than $10,000, see "Earned Income Credit" (line 57) on page 15 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions ▶			31	51,467

CFP001 Form 1040 (1981)

Form 1040 (1981) 3-115068-156'-6 Page 2

Tax Computation	32a Amount from line 31 (adjust ,ross income)			32a	51,467
	32b If you do not itemize deductions, enter zero If you itemize, complete Schedule A (Form 1040) and enter amount from Schedule A, line 41			32b	8,226
(See instructions on page 12)	**Caution:** If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 12 of the instructions. Also see page 12 of the instructions if: ● You are married filing a separate return & your spouse itemizes deductions, OR ● You file Form 4563, OR ● You are a dual-status alien				
	32c Subtract line 32b from line 32a			32c	43,241
	33 Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 6e			33	2,000
	34 Taxable Income. Subtract line 33 from line 32c			34	41,241
	35 Tax. Enter tax here & check if from ☒ Tax Table, ☐ Tax Rate Schedule X,Y,Z ☐ Schedule D ☐ Schedule G ☐ Form 4726			35	15,702
	36 Additional taxes. (See page 13 of instructions) Enter here and check if from ☐ Form 4970, ☐ Form 4972 ☐ Form 5544 ☐ Section 72(m)(5) penalty tax			36	
	37 Total. Add lines 35 and 36 ▶			37	15,702
Credits	38 Credit for contributions to candidates for public office	38	50		
	39 Credit for the elderly (attach Schedules R&RP)	39			
	40 Credit for child & dependent care expenses (attach Form 2441)	40			
(See instructions on page 13)	41 Investment credit (attach Form 3468)	41	138		
	42 Foreign tax credit (attach Form 1116)	42			
	43 Work Incentive (WIN) Credit (attach Form 4874)	43			
	44 Jobs credit (attach Form 5884)	44			
	45 Residential energy credit (attach Form 5695)	45			
	46 Total credits. Add lines 38 through 45			46	188
	47 **Balance.** Subtract line 46 from line 37 and enter difference (but not less than zero) ▶			47	15,514
Other Taxes	48 Self-employment tax (attach Schedule SE)			48	
	49a Minimum tax. Attach Form 4625 and check here ▶ ☐			49a	
	49b Alternative minimum tax. Attach Form 6251 and check here ▶ ☐			49b	
(Including Advance EIC Payments)	50 Tax from recomputing prior-year investment credit (attach Form 4255)			50	
	51a Social security (FICA) tax on tip income not reported to employer (attach Form 4137)			51a	
	51b Uncollected employee FICA and RRTA tax on tips (from Form W-2)			51b	
	52 Tax on an IRA (attach Form 5329)			52	
	53 Advance earned income credit (EIC) payments received (from Form W-2)			53	
D6	54 **Total.** Add lines 47 through 53 ▶			54	15,514
Payments	55 Total Federal income tax withheld	55	17,501		
	56 1981 estimated tax payments & amt applied from 1980 return	56			
Attach Forms W-2, W-2G, and W-2P to front.	57 Earned income credit. If line 32a is under $10,000, see page 15 of instructions	57			
	58 Amount paid with Form 4868	58			
	59 Excess FICA and RRTA tax withheld (two or more employers)	59			
	60 Credit for Federal tax on special fuels & oils (attach Form 4136 or 4136-T)	60			
	61 Regulated Investment Company credit (attach Form 2439)	61			
	62 **Total.** Add lines 55 through 61 ▶			62	17,501
Refund or Balance Due	63 If line 62 is larger than line 54, enter amount **Overpaid** ▶			63	1,987
	64 Amount of line 63 to be **REFUNDED TO YOU** ▶			64	1,987
	65 Amount of line 63 to be applied to your 1982 estimated tax ▶	65			
	66 If line 54 is larger than line 62, enter **BALANCE DUE**. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number and "1981 Form 1040" on it ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached. See page 16 of instructions) ▶ $			66	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed ▶ ☒	Preparer's social security no. 062 07 4105
	Firm's name (or yours if self-employed) and address ▶	SELGER & BRESSMAN CPA		E.I. No. ▶ 11-2408598
		60 E 42ND STFEET		ZIP code ▶ 10017
		NEW YORK NY		

CPP104

3-115068-1566

Schedules A&B
(Form 1040)
Department of the Treasury
Internal Revenue Service

SCHEDULE A - ITEMIZED DEDUCTIONS

▶ Attach to Form 1040 ▶ See Instructions for Schedules A and B (Form 1040).

OMB No. 1545-0074
1981
07

Name(s) as shown on Form 1040: GERALDINE A ZACCARO

Your social security number: 100-28-1600

Medical and Dental Expenses

1 One half (but not more than $150) of insurance premiums for medical care. (Be sure to include in line 10 below) ▶		150
2 Medicine and drugs		
3 Enter 1% of line 31, F1040	515	
4 Subtract line 3 from line 2		0
5 Enter balance of insurance premiums		150
6 Enter other medical and dental expenses:		
a) Doctors, dentists, nurses, etc.		
b) Hospitals		
c) Transportation		
d Other (itemize) ▶		
7 Total (add lines 4 through 6d)		150
8 Enter 3% of line 31, Form 1040		1,544
9 Subtract line 8 from line 7		0
10 TOTAL (add lines 7 and 9) ▶		150

Taxes

11 State and local income	7,385
12 Real estate	
13a General sales (see sales tax tables)	729
b) General sales on motor vehicles	
14 Personal property	
15 Other (itemize) ▶	
16 TOTAL TAXES (add lines 11 through 15) ▶	8,114

Interest Expense

17 Home mortgage	
18 Credit and charge cards	
19 Other (itemize) ▶	
20 TOTAL (add lines 17 through 19) ▶	

Contributions

21 a Cash contributions less than $3,000 each SCH 9	690
b Cash contributions $3,000 or more each	
22 Other than cash	
23 Carryover from prior years	
24 TOTAL (add lines 21a through 23) ▶	690

Casualty or Theft Loss

25 Loss before insurance reimbursement	
26 Insurance reimbursement	
27 Subtract line 26 from line 25	
28 Enter $100 or amount on line 27	
29 TOTAL (subtract line 28 from line 27) ▶	

Miscellaneous Deductions

30a Union dues	
b Tax return preparation fee	
31 Other (itemize) ▶ SEE SCHEDULE-12	972
32 TOTAL (add lines 30 and 31) ▶	972

A

39 Total deductions	9,926
40 If you checked Form 1040, Filing Status box: 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700	1,700
41 Subtract line 40 from line 39. Enter here and on Form 1040, line 32b. (If line 40 is more than line 39, see the instructions for line 41 on page 18) ▶	8,226

3-115068-1561

Schedules A & B (Form 1040) 1981 Sule B – Interest and Dividend Income OMB No. 1545-0074 Page 2

Name(s) as shown on Form 1040

GERALDINE A ZACCARO

Your social security number

100-28-1600

Part I Interest Income

If you received more than $400 in interest or you received any interest from an All-Savers Certificate, you must complete Part I and list ALL interest received. Also complete Part III if you received more than $400 in interest. See page 8 of the instructions to find out what interest to report. Then answer the questions in Part III, below. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 20 of the instructions.

Name of payer	Amount
1a Interest income (other than qualifying interest from All-Savers Certificates)	
SEE SCHEDULE 6	
1b Total. Add above amounts	5,358
1c Qualifying interest from All-Savers Certificates (List payers and amounts even if $400 or less.)	
1d Total	
1e Exclusion	
1f Subtract line 1e from line 1d	
2 Total interest income (add lines 1b and 1f). Enter here and on Form 1040, line 8a	5,358

Part II Dividend Income

If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, complete Part II and Part III. Please see page 9 of the instructions. Then answer the questions in Part III, below. If you received dividends as a nominee for another, please see page 21 of the instructions.

Name of payer	Amount
3	
4 Total. Add above amounts	
5 Capital gain distributions. Enter here and on line 13 Schedule D. See note below	
6 Nontaxable distributions (See instructions for adjustment to basis.)	
7 Total (add lines 5 and 6)	
8 Total dividend income (subtract line 7 from line 4) Enter here and on Form 1040, line 8b	

Note: If you received capital gain distributions for the year and you do not need Schedule D to report any other gains or losses or to compute the alternative tax, do not file that schedule. Instead, enter 40% of your capital gain distributions on Form 1040, line 13.

B

Part III Foreign Accounts and Foreign Trusts

If you received more than $400 of interest or dividends, OR if you had a foreign account or were a grantor of, or a transferor to, a foreign trust, you must answer both questions in Part III. Please see page 21 of the instructions.

	Yes	No
9 At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country?		X
10 Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A, or 926		X

3-115068-156 E - 1

SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

SUPPLEMENTAL INCOME SCHEDULE

(From rents and royalties, partnerships, estates and trusts, etc.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074
1981
15

Name(s) as shown on Form 1040: GERALDINE A ZACCARO
Your social security number: 100-28-1600

Part I Rent and Royalty Income or Loss.

1 Are any of the expenses listed below for a vacation home or similar dwelling rented to others (see instructions)? ☐ YES ☐ NO

2 If you checked "Yes" to question 1, did you or a member of your family occupy the vacation home or similar dwelling for more than 14 days during the tax year? ☐ YES ☐ NO

		Properties				Totals
Rental and Royalty Income (describe property in Part V)		A	B	C		
3 a Rents received b Royalties received					3	
Rental and Royalty Expenses						
4 Advertising	4					
5 Auto and travel	5					
6 Cleaning and maintenance	6					
7 Commissions	7					
8 Insurance	8					
9 Interest	9					
10 Legal and other professional fees	10					
11 Repairs	11					
12 Supplies	12					
13 Taxes (do NOT include Windfall Profit Tax, see Part III, line 35)	13					
14 Utilities	14					
15 Wages and salaries	15					
16 Other (list) ▶						
17 Total deductions (add lines 4 through 16)	17				17	
18 Depreciation expense (see Instructions), or Depletion (attach computation)	18				18	
19 Total (add lines 17 and 18)	19					
20 Income or (loss) from rental or royalty properties (subtract line 19 from line 3a (rents) or 3b (royalties))	20					

21 Add properties with profits on line 20, and enter total profits here	21	
22 Add properties with losses on line 20, and enter total (losses) here	22	( )
23 Combine amounts on lines 21 and 22, and enter net profit or (loss) here	23	
24 Net farm rental profit or (loss) from Form 4835, line 50	24	
25 Total rental or royalty income or (loss). Combine amounts on lines 23 and 24. Enter here and include in line 37 on page 2	25	

E

CFP505

Schedule E (Form 1040) 1981 3-115068-1561 Page 2

Part II Income or Losses from Par ships, Estates or Trusts or Small Business C orations

If you have a loss reported below, do you have amounts for which you are not "at risk" in that loss activity (see instructions)? Yes No If "Yes," and your loss exceeded your amount "at risk," did you limit your loss to your amount "at risk"? Yes No

	(a) Name	(b) Employer identification number	(c) Net loss (see instructions for "at risk" limitations)	(d) Net income
Partnerships				
	26 Add amounts in columns (c) and (d) and enter here	26	( )	
	27 Combine amounts in columns (c) and (d), line 26 and enter net income or (loss)		27	
	28 Additional first-year depreciation		28	( )
	29 Total partnership income or (loss). Combine lines 27 and 28. Enter here and include in line 37		29	
Estates or Trusts				
	30 Add amounts in columns (c) and (d) and enter here	30	( )	
	31 Total estate or trust income or (loss). Combine amounts in columns (c) and (d), line 30 Enter here and include in line 37		31	
Small Business Corporations	SEE FORM 44			
	32 Add amounts in columns (c) and (d) and enter here	32	( )	2,962
	33 Total small business corporation income or (loss). Combine amounts in columns (c) and (d), line 32. Enter here and include in line 37		33	2,962

Part III Windfall Profit Tax Summary

34 Windfall Profit Tax Credit or Refund received in 1981 (see instructions)	34	
35 Windfall Profit Tax withheld in 1981 (see instructions)	35	( )
36 Combine amounts on lines 34 and 35. Enter here and include in line 37	36	

Part IV Summary

37 TOTAL income or (loss). Combine lines 25, 29, 31, 33, and 36. Enter here and on Form 1040, line 17. ▶			37	2,962
38 Farmers and fishermen: Enter your share of gross farming and fishing income applicable to Parts I and II	38			

Part V Depreciation Claimed in Part I. — Complete only if the property was placed in service before January 1, 1981. If you need more space, use Form 4562. If you placed any property in service after December 31, 1980, you MUST use Form 4562; do NOT complete Part V.

	(a) Description and location of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in prior years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
Property A							
	Totals (Property A)						
Property B							
	Totals (Property B)						
Property C							
	Totals (Property C)						

CFP154

3-115068-1561

Form **2106**

Department of the Treasury
Internal Revenue Service

EMPLOYEE BUSINESS EXPENSES

(Please use Form 3903 to figure moving expense deduction.)
▶Attach to Form 1040.

OMB No. 1545-0139

1981

Your name GERALDINE A ZACCARO	Social security number 100-28-1600	Occupation in which expenses were incurred CONGRESS US
Employer's name	Employer's address	

Paperwork Reduction Act Notice. - The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Instructions

Use this form to show your business expenses as an employee during 1981. Include amounts:

- You paid as an employee;
- You charged to your employer (such as by credit card);
- You received as an advance, allowance, or repayment.

Several publications available from IRS give more information about business expenses.

Publication 463, Travel, Entertainment, and Gift expenses.
Publication 529, Miscellaneous Deductions.
Publication 587, Business Use of Your Home.
Publication 508, Educational Expenses.

Part I. - You can deduct some business expenses even if you do not itemize your deductions on Schedule A (Form 1040). Examples are expenses for travel (except commuting to and from work), meals, or lodging. List these expenses in Part I and use them in figuring your adjusted gross income on Form 1040, line 31.

Line 2. - You can deduct meals and lodging costs if you were on a business trip away from your main place of work. Do not deduct the cost of meals you ate on one-day trips when you did not need sleep or rest.

Line 3. - If you use a car you own in your work, you can deduct the cost of the business use. Enter the cost here after figuring it in Part IV. You can take either the cost of your actual expenses (such as gas, oil, repairs, depreciation, etc.) or you can use the standard mileage rate.

The mileage rate is 20 cents a mile up to 15,000 miles. After that, or for all business mileage on a fully depreciated car, the rate is 11 cents a mile. If you use the standard mileage rate to figure the cost of business use, the car is considered to have a useful life of 60,000 miles of business use at the maximum standard mileage rate. After 60,000 miles of business use at the maximum rate, the car is considered to be fully depreciated. (For details, see Publication 463.)

Caution. You cannot use the mileage rate for a leased vehicle.

Figure your mileage rate amount and add it to the business part of what you spent on the car for parking fees, tolls, interest, and State and local taxes (except gasoline tax).

Line 4. - If you were an outside salesperson with other business expenses, list them on line 4. Examples are selling expenses or expenses for stationery and stamps. An outside salesperson does all selling outside the employer's place of business. A driver-salesperson whose main duties are service and delivery, such as delivering bread or milk, is not an outside salesperson. (For details, see Publication 463.)

Line 5. - Show other business expenses on line 5 if your employer repaid you for them. If you were repaid for part of them, show here the amount you were repaid. Show the rest in Part II.

Part II. - You can deduct other business expenses only if (a) your employer did not repay you, and (b) you itemize your deductions on Schedule A (Form 1040). Report these expenses here and under Miscellaneous Deductions on Schedule A. (For details, see Publication 529.)

You can deduct expenses for business use of the part of your home that you exclusively and consistently use for your work. If you are not self-employed, your working at home must be for your employer's convenience. (For business use of home, see Publication 587.)

If you show education expenses in Part I or Part II, you must fill out Part III.

Part III. - You can deduct the cost of education that helps you keep or improve your skills for the job you have now. This includes education that your employer, the law, or regulations require you to get in order to keep your job or your salary. Do not deduct the cost of study that helps you meet the basic requirements for your job or helps you get a new job. (For education expenses, see Publication 508.)

Part IV, line 8 - **Depreciation**

Cars placed in service before 1/1/81

You must continue to use either the standard mileage rate or the method of depreciation you used in earlier years. You cannot change to either of the new methods available in 1981.

Cars placed in service after 12/31/80

If you placed a car in service in 1981 and you do not use the standard mileage rate, you must use the new Accelerated Cost Recovery System (ACRS). One method lets you deduct the following percentages of your cost basis regardless of what month you placed the car in service:

1981 - 25%
1982 - 38%
1983 - 37%

Example: You bought a new car, without a trade-in, for $10,000 in September 1981, and used it 60% for business. Your basis for depreciation is $6,000 ($10,000 x 60%). For 1981 your depreciation deduction is $1,500 ($6,000 x 25%). If your percentage of business use changes in 1982, you must refigure your basis for depreciation.

There is also an alternate ACRS method under which you may use a straight-line method over a recovery period of 3, 5, or 12 years.

Note: If you use the mileage rate, you are considered to have made an election to exclude this vehicle from ACRS.

You do not have to consider salvage value in either of these methods. Please see Publication 463 for details on how to figure the deduction under either method.

PART I. - Employee Business Expenses Deductible in Figuring Adjusted Gross Income on Form 1040, Line 31

1 Fares for airplane, boat, bus, taxicab, train, etc.	
2 Meals and lodging	
3 Car expenses (from Part IV, line 21)	
4 Outside salesperson's expenses (see Part I instructions above) ▶	
SEE FORM 71	19,548
5 Other (see Part I instructions above) ▶	
6 Add lines 1 through 5	19,548
7 Employer's payments for these expenses if not included on Form W-2	
8 Deductible business expenses (subtract line 7 from line 6). Enter here and include on Form 1040, line 23	19,548
9 Income from excess business expense payments (subtract line 6 from line 7). Enter here and include on Form 1040, line 20	

PART II. - Employee Business Expenses that are Deductible Only if You Itemize Deductions on Schedule A (Form 1040)

1 Business expenses not included above (list expense and amount) ▶	
2 Total. Deduct under Miscellaneous Deductions, Schedule A (Form 1040)	

PART III – Information About Education Expenses Shown in Part I or Part II

1 Name of educational institution or activity ▶
2 Address ▶

3 Did you need this education to meet the basic requirements for your job? ☐ Yes ☐ No
4 Will this study program qualify you for a new job? ☐ Yes ☐ No
5 If your answer to question 3 or 4 is Yes, you cannot deduct these expenses. If No, explain (1) why you are getting the education, and (2) what the relationship was between the courses you took and your job. (If you need more space, attach a statement) ▶

6 List your main subjects, or describe your educational activity ▶

PART IV – Car Expenses (Use either your actual expenses or the mileage rate)

	Car 1	Car 2	Car 3
A. Number of months you used car for business during 1981	months	months	months
B. Total mileage for months in line A	miles	miles	miles
C. Business part of line B mileage	miles	miles	miles

Actual Expenses (include expenses on lines 1–5 for only the months shown in line A, above.)

	Car 1	Car 2	Car 3
1 Gasoline, oil, lubrication, etc.			
2 Repairs			
3 Tires, supplies, etc.			
4 Other: (a) Insurance			
(b) Taxes			
(c) Tags and licenses			
(d) Interest			
(e) Miscellaneous			
5 Total (add lines 1 through 4(e))			
6 Business percentage of car use (divide line C by line B, above)	%	%	%
7 Business part of car expense (multiply line 5 by line 6)			
8 Depreciation (see instructions on front) Caution: If you use ACRS, skip line 9 and enter the amount from line 8 on line 10.			
9 Divide line 8 by 12 months			
10 Multiply line 9 by line A, above			
11 Total (add line 7 and line 10; then skip to line 19)			

Mileage Rate

12 Enter the smaller of (a) 15,000 miles or (b) the combined mileages from line C, above		miles
13 Multiply line 12 by 20¢ (11¢ if car is fully depreciated) and enter here		
14 Enter any combined mileage from line C that is over 15,000 miles	miles	
15 Multiply line 14 by 11¢ and enter here		
16 Total mileage expense (add lines 13 and 15)		
17 Business part of car interest and State and local taxes (except gasoline tax)		
18 Total (add lines 16 and 17)		

Summary

19 Enter amount from line 11 or line 18, whichever you used	
20 Parking fees and tolls	
21 Total (add lines 19 and 20). Enter here and in Part I, line 3	

3-115068-15616

Form **3468**
Department of the Treasury
Internal Revenue Service

COMPUTATION OF INVESTMENT CREDIT

▶ Attach to your tax return.
▶ Use separate Schedule B (Form 3468) to figure your tentative energy investment credit.

OMB No. 1545-0155
1981
27

Name
GERALDINE A ZACCARO

Identifying number as shown on page 1 of your tax return
100-28-1600

Part I Check the box(es) below that apply to you (see Elections for details):

A The corporation elects the basic or basic and matching employee plan percentage under section 48(n)(1) . . . . ☐
B I elect to increase my qualified investment to 100% for certain commuter highway vehicles under section 46(c)(6) . . . . ☐
C I elect to increase my qualified investment by all qualified progress expenditures made this tax year and all later years . . . . ☐
Enter total qualified progress expenditures included in column (4), Part II ▶ ____________
D I claim full credit on certain ships under section 46(g)(3). (See How to Figure the Credit for details.) . . . . ☐

Part II Qualified Investment

Figure your qualified investment in new or used investment credit property acquired or constructed and placed in service during the tax year. The qualified investment for qualified progress expenditures and qualified rehabilitation expenditures is allowed in the tax year the expenditure is incurred or in the case of self-constructed property the year the expenditure is chargeable to a capital account for the property.

For certain taxpayers the basis or cost of property placed in service after February 18, 1981, is limited to the amount the taxpayer is at risk for the property at year end. See Instruction E.

NOTE: Include your share of investment in property made by a partnership, estate, trust, small business corporation, or lessor.

1 Recovery Property	Line	(1) Recovery Period	(2) Basis of cost	(3) Applicable percentage	(4) Qualified investment (Column 2 x column 3)
New	(a)	3-Year		60	
	(b)	Other	1,382	100	1,382
Used	(c)	3-Year		60	
	(d)	Other		100	
2 Total--Add lines 1(a) through 1(d)				2	1,382

3 Nonrecovery Property	Line	(1) Life years	(2) Basis or cost	(3) Applicable percentage	(4) Qualified investment (Column 2 x column 3)
New property	(a)	3 or more but less than 5		33 1/3	
	(b)	5 or more but less than 7		66 2/3	
	(c)	7 or more		100	
Used property	(d)	3 or more but less than 5		33 1/3	
	(e)	5 or more but less than 7		66 2/3	
	(f)	7 or more		100	

4 Total--Add lines 3(a) through 3(f)	4	
5 New commuter highway vehicle--Enter total qualified investment. (See Instruction D).	5	
6 Used commuter highway vehicle	6	
7 Qualified rehabilitation expenditures incurred before January 1, 1982, for: (see specific instructions)		
(a) Improvements with 5 or more but less than 7 years--Enter 66 2/3 of expenditures	7(a)	
(b) Improvements with 7 or more life years--Enter 100% of expenditures	7(b)	
8 Total qualified investment in 10% property--Add lines 2, 4, 5, 6, 7(a) and 7(b). (See instructions for special limits).	8	1,382
9 Enter 100% of qualified rehabilitation expenditures incurred after December 31, 1981 for:		
(a) For 30-year old buildings	9a	
(b) For 40-year old buildings	9b	
(c) For certified historic structures (enter the Dept. of Interior assigned project number ____________)	9c	
10 Total qualified investment--Add lines 8, 9(a), 9(b), and 9(c)	10	1,382

Part III Tentative Regular Investment Credit

11 10% of line 8	11	138
12 15% of line 9(a)	12	
13 20% of line 9(b)	13	
14 25% of line 9(c)	14	
15 Corporations electing the basic or basic and matching employee plan percentage for contributions to tax credit employee stock ownership plans--Checkbox A above (see Instruction Q)		
(a) Basic 1% credit--Enter 1% of line 10	15a	
(b) Matching credit (not more than 0.5%)--Enter allowable percentage times adjusted line 10 (attach schedule)	15b	
16 Credit from Cooperative--Enter regular in vestment credit from cooperatives	16	
17 Current year regular investment credit--Add lines 11 through 16	17	138
18 Carryover of unused credits	18	
19 Carryback of unused credits	19	
20 Tentative regular investment credit--Add lines 17, 18, 19, enter here and in Part IV, line 21	20	138

For Paperwork Reduction Act Notice, see page 1 of the Instructions.
CFP059

Form 3468 (1981) 3-115068-15616 Page 2

Part IV Tax Liability Limitations

21 Tentative credit from Part III, line 20			21	138
22 (a) Individuals--Enter amount from Form 1040, line 37, page 2 (b) Estates and trusts--Enter amount from Form 1041, line 26, page 1 (c) Corporations--Enter amount from Schedule J (Form 1120), line 3, page 3 (d) Others--Enter tax before credits from your return			22	15,702
23 (a) Credit for the elderly (individuals only)	23(a)		▨	
(b) Foreign tax credit	23(b)		▨	
(c) Tax on lump-sum distribution from Form 4972 or Form 5544	23(c)		▨	
(d) Possessions corporation tax credit (corporations only)	23(d)		▨	
(e) Section 72(m)(5) penalty tax (individuals only)	23(e)		▨	
24 Total--Add lines 23(a) through 23(e)			24	
25 Subtract line 24 from line 22			25	15,702
26 (a) Enter smaller of line 25 or $25,000. See instruction for line 26			26(a)	12,500
(b) If line 25 is more than line 26(a), and your tax-year ends in 1981, enter 80% of the excess (if your tax year ends in 1982, enter 90% of the excess)			26(b)	2,562
27 Regular investment credit limitation--Add lines 26(a) and 26(b)			27	15,062
28 Allowed regular investment credit--Enter the smaller of line 21 or 27			28	138
29 Business energy investment credit limitation--Subtract line 28 from line 25			29	15,564
30 Business energy investment credit--Enter amount from line 14 of Schedule B (Form 3468)			30	
31 Allowed business energy investment credit--Enter smaller of line 29 or line 30			31	
32 Total allowed regular and business energy investment credit--Add lines 28 and 31. Enter here and on Form 1040, line 41; Schedule J (Form 1120), line 4(b), page 3; or the proper line on other returns			32	138

Paperwork Reduction Act Notice.--The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carryout the Internal Revenue laws ofthe United States. We need it to ensure that you are complying with these laws and so that we can figure and collect the correct amount of tax. You are required to give us this information.

3-115068-15616

Form **6251**

Department of the Treasury
Internal Revenue Service

ALTERNAT 'E MINIMUM TAX COMPI 'ATION

▶ See instructions on back
▶ Attach to Forms 1040, 1040NR, 1041 or 990-T (Trust).

OMB No. 1545-0227

1981

34

Name(s) as shown on tax return: GERALDINE A ZACCARO

Identifying number: 100-28-1600

Part I Computation of Alternative Minimum Tax

1	Adjusted gross income from Form 1040, line 32a or Form 1040NR, line 33 (see instructions)			1	51,467
2	Deductions (applies to individuals only):				
	a Enter amount from Form 1040, line 32b or Form 1040NR, line 38	2a	8,226		
	b On your 1981 Form 1040, if you checked Filing Status box { 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700 }	2b	1,700		
	c Multiply $1,000 by the total number of exemptions on Form 1040, line 6e	2c	2,000		
	d Add lines 2a through 2c (estates and trusts, enter zero)			2d	11,926
3	Subtract line 2d from line 1			3	39,541
4	Tax preference items:				
	a Adjusted itemized deductions	4a			
	b Capital gain deduction	4b			
	c Add lines 4a and 4b			4c	
5	Alternative minimum taxable income (add lines 3 and 4c)			5	39,541
6	Tax on amount on line 5 from Part IV, line D or Part III, line 27			6	3,908
7	Amount from Form 1040, line 47 (see instructions)	7	15,514		
8	Minimum tax from Form 1040, 1041, or 990-T	8			
9	Tax from recomputing prior-year investment credit	9	0		
10	Add lines 7 through 9			10	15,514
11	Subtract line 10 from line 6. If zero or less, do not complete the rest of this form			11	0
12	Foreign tax credit (see instructions)			12	
13	Subtract line 12 from line 11. If line 12 is more than line 11, enter zero			13	
14	Credits allowed against alternative minimum tax from Part II, line 21			14	
15	Alternative minimum tax (subtract line 14 from line 13.) If zero or less, enter zero. Enter here and on Form 1040, line 49b (estates and trusts--see instructions)			15	

Part II Computation of Credits Allowed Against Alternative Minimum Tax

16	Enter amount from line 3 above	16	
17	Enter 66 2/3% of line 4b	17	
18	Subtract line 17 from line 16	18	
19	Tax on amount on line 18 from Part IV, line D	19	
20	Credits, other than Foreign Tax Credit, from Form 1040, line 46. (See instructions.)	20	
21	Enter line 19 or line 20, whichever is smaller. Enter here and on line 14 above	21	

Part III See instructions for line 6 before completing this part.

22	Enter amount from line 5 above	22	
23	Enter amount from line 23 of Schedule D (Form 1040 or Form 1041)	23	
24	Subtract line 23 from line 22	24	
25	Tax on amount on line 24 from Part IV, line D	25	
26	Enter amount from line 34 of Schedule D (Form 1040 or Form 1041)	26	
27	Add line 25 and line 26. Enter on line 6 above, only if less than the tax on amount on line 5 from Part IV, line D	27	

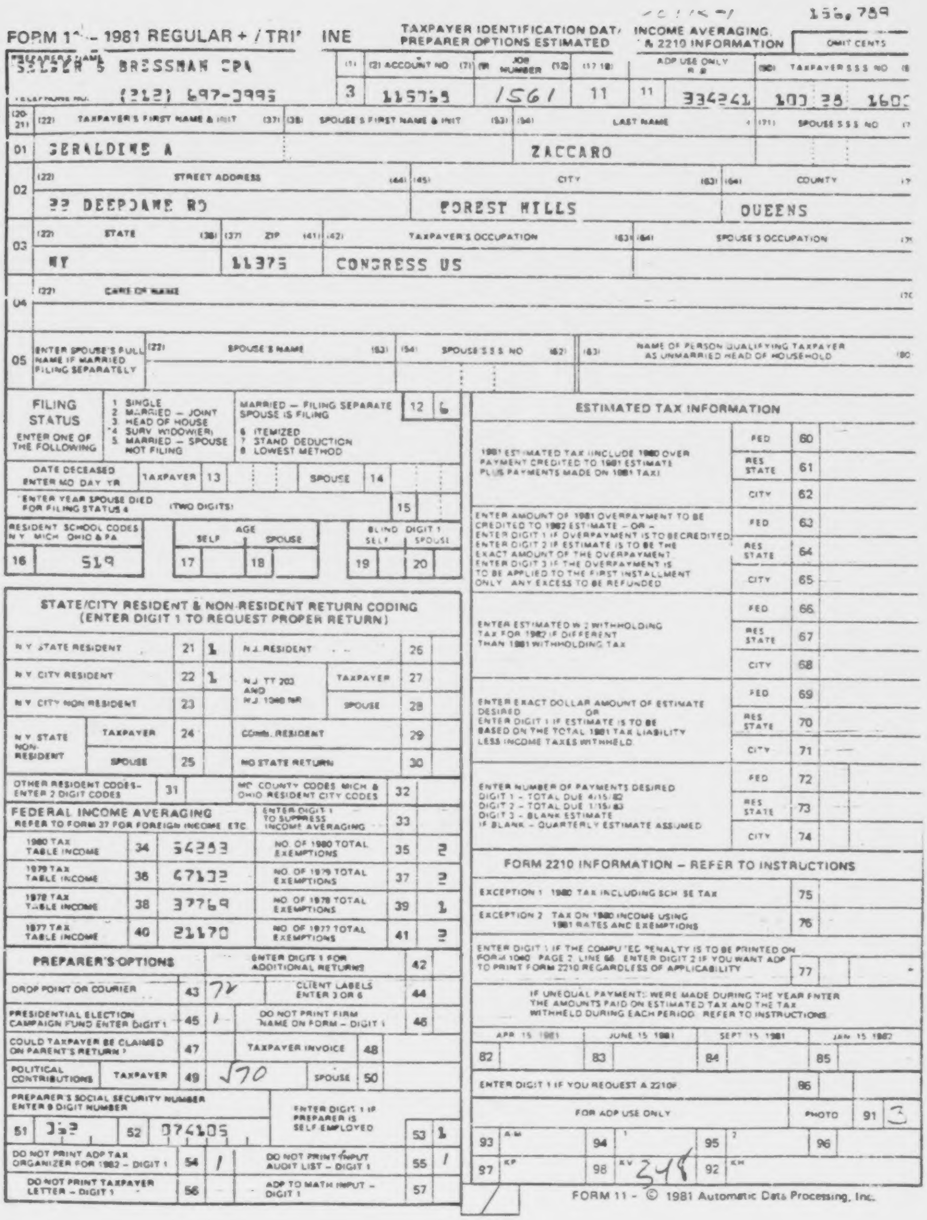
Part IV Alternative Minimum Tax Computation Schedules

MARRIED FILING SEPARATELY, OR ESTATE OR TRUST

Not over 10,000 -0-

	Of the amount over	but not over	Tax on amount on line 5	Tax on amount on line 18	Tax on amount on line 24
A. 10%	$ 10,000	$ 30,000	=$ 2,000	=$	=$
B. 20%	$ 30,000	$ 50,000	=$ 1,908	=$	=$
C. 25%	$ 50,000-		=$	=$	=$
D. Total (A+B+C)			=$ 3,908	=$	=$

For Paperwork Reduction Act Notice, see back of form.



156,789

FORM 1 - 1981 REGULAR + / TRI INE — TAXPAYER IDENTIFICATION DATA PREPARER OPTIONS ESTIMATED INCOME AVERAGING, & 2210 INFORMATION — OMIT CENTS

PREPARER'S NAME: SELZER 5 BRESSMAN CPA
TELEPHONE NO.: (212) 697-3995

(1)	(2) ACCOUNT NO (7)	(8) JOB NUMBER (12)	(17 18)	ADP USE ONLY R #		(80) TAXPAYER S.S.S. NO
3	115765	1561	11	11	334241	103 38 160

(20-21)	(22) TAXPAYER'S FIRST NAME & INIT (37)	(38) SPOUSE'S FIRST NAME & INIT (53)	(54) LAST NAME	(71) SPOUSE S.S.S. NO
01	GERALDINE A		ZACCARO	

	(22) STREET ADDRESS (44)	(45) CITY (63)	(64) COUNTY
02	22 DEEPDANE RD	FOREST HILLS	QUEENS

	(22) STATE (36)	(37) ZIP (41)	(42) TAXPAYER'S OCCUPATION (63)	(64) SPOUSE'S OCCUPATION
03	NY	11375	CONGRESS US	

	(22) CARE OF NAME
04	

		(22) SPOUSE'S NAME (53)	(54) SPOUSE'S S.S. NO (62)	(63) NAME OF PERSON QUALIFYING TAXPAYER AS UNMARRIED HEAD OF HOUSEHOLD (80)
05	ENTER SPOUSE'S FULL NAME IF MARRIED FILING SEPARATELY			

FILING STATUS ENTER ONE OF THE FOLLOWING
1 SINGLE
2 MARRIED — JOINT
3 HEAD OF HOUSE
*4 SURV WIDOW(ER)
5 MARRIED — SPOUSE NOT FILING
MARRIED — FILING SEPARATE SPOUSE IS FILING
6 ITEMIZED
7 STAND DEDUCTION
8 LOWEST METHOD
12: 6

DATE DECEASED ENTER MO DAY YR	TAXPAYER	13	SPOUSE	14
*ENTER YEAR SPOUSE DIED FOR FILING STATUS 4 (TWO DIGITS)				15

RESIDENT SCHOOL CODES N.Y. MICH. OHIO & PA		AGE SELF		AGE SPOUSE		BLIND DIGIT 1 SELF		BLIND DIGIT 1 SPOUSE	
16	519	17		18		19		20	

STATE/CITY RESIDENT & NON-RESIDENT RETURN CODING (ENTER DIGIT 1 TO REQUEST PROPER RETURN)

N.Y. STATE RESIDENT	21	1	N.J. RESIDENT	26	
N.Y. CITY RESIDENT	22	1	N.J. TT 203 AND N.J. 1040 NR — TAXPAYER	27	
N.Y. CITY NON RESIDENT	23		N.J. TT 203 AND N.J. 1040 NR — SPOUSE	28	
N.Y. STATE NON-RESIDENT — TAXPAYER	24		CONN. RESIDENT	29	
N.Y. STATE NON-RESIDENT — SPOUSE	25		NO STATE RETURN	30	
OTHER RESIDENT CODES-ENTER 2 DIGIT CODES	31		MD COUNTY CODES MICH & OHIO RESIDENT CITY CODES	32	

FEDERAL INCOME AVERAGING
REFER TO FORM 27 FOR FOREIGN INCOME ETC

			ENTER DIGIT 1 TO SUPPRESS INCOME AVERAGING	33	
1980 TAX TABLE INCOME	34	54253	NO. OF 1980 TOTAL EXEMPTIONS	35	2
1979 TAX TABLE INCOME	36	67132	NO. OF 1979 TOTAL EXEMPTIONS	37	2
1978 TAX TABLE INCOME	38	37769	NO. OF 1978 TOTAL EXEMPTIONS	39	1
1977 TAX TABLE INCOME	40	21170	NO. OF 1977 TOTAL EXEMPTIONS	41	2

PREPARER'S OPTIONS

			ENTER DIGIT 1 FOR ADDITIONAL RETURNS	42	
DROP POINT OR COURIER	43	72	CLIENT LABELS ENTER 3 OR 6	44	
PRESIDENTIAL ELECTION CAMPAIGN FUND ENTER DIGIT 1	45	1	DO NOT PRINT FIRM NAME ON FORM – DIGIT 1	46	
COULD TAXPAYER BE CLAIMED ON PARENT'S RETURN?	47		TAXPAYER INVOICE	48	
POLITICAL CONTRIBUTIONS — TAXPAYER	49	√70	SPOUSE	50	
PREPARER'S SOCIAL SECURITY NUMBER ENTER 9 DIGIT NUMBER — 51	132	52 074105	ENTER DIGIT 1 IF PREPARER IS SELF EMPLOYED	53	1
DO NOT PRINT ADP TAX ORGANIZER FOR 1982 – DIGIT 1	54	1	DO NOT PRINT INPUT AUDIT LIST – DIGIT 1	55	1
DO NOT PRINT TAXPAYER LETTER – DIGIT 1	56		ADP TO MATH INPUT – DIGIT 1	57	

ESTIMATED TAX INFORMATION

1981 ESTIMATED TAX (INCLUDE 1980 OVER PAYMENT CREDITED TO 1981 ESTIMATE PLUS PAYMENTS MADE ON 1981 TAX)	FED	60	
	RES STATE	61	
	CITY	62	
ENTER AMOUNT OF 1981 OVERPAYMENT TO BE CREDITED TO 1982 ESTIMATE – OR – ENTER DIGIT 1 IF OVERPAYMENT IS TO BE CREDITED. ENTER DIGIT 2 IF ESTIMATE IS TO BE THE EXACT AMOUNT OF THE OVERPAYMENT. ENTER DIGIT 3 IF THE OVERPAYMENT IS TO BE APPLIED TO THE FIRST INSTALLMENT ONLY. ANY EXCESS TO BE REFUNDED	FED	63	
	RES STATE	64	
	CITY	65	
ENTER ESTIMATED W-2 WITHHOLDING TAX FOR 1982 IF DIFFERENT THAN 1981 WITHHOLDING TAX	FED	66	
	RES STATE	67	
	CITY	68	
ENTER EXACT DOLLAR AMOUNT OF ESTIMATE DESIRED OR ENTER DIGIT 1 IF ESTIMATE IS TO BE BASED ON THE TOTAL 1981 TAX LIABILITY LESS INCOME TAXES WITHHELD	FED	69	
	RES STATE	70	
	CITY	71	
ENTER NUMBER OF PAYMENTS DESIRED DIGIT 1 – TOTAL DUE 4/15/82 DIGIT 2 – TOTAL DUE 1/15/83 DIGIT 3 – BLANK ESTIMATE IF BLANK – QUARTERLY ESTIMATE ASSUMED	FED	72	
	RES STATE	73	
	CITY	74	

FORM 2210 INFORMATION – REFER TO INSTRUCTIONS

EXCEPTION 1 1980 TAX INCLUDING SCH SE TAX	75	
EXCEPTION 2 TAX ON 1980 INCOME USING 1981 RATES AND EXEMPTIONS	76	
ENTER DIGIT 1 IF THE COMPUTED PENALTY IS TO BE PRINTED ON FORM 1040 PAGE 2 LINE 66. ENTER DIGIT 2 IF YOU WANT ADP TO PRINT FORM 2210 REGARDLESS OF APPLICABILITY	77	

IF UNEQUAL PAYMENTS WERE MADE DURING THE YEAR ENTER THE AMOUNTS PAID ON ESTIMATED TAX AND THE TAX WITHHELD DURING EACH PERIOD. REFER TO INSTRUCTIONS

APR 15 1981		JUNE 15 1981		SEPT 15 1981		JAN 15 1982	
82		83		84		85	

ENTER DIGIT 1 IF YOU REQUEST A 2210F	86	

FOR ADP USE ONLY					PHOTO	91	3
93	A-M	94	1	95	2	96	
97	KP	98	KV 348	92	KH		

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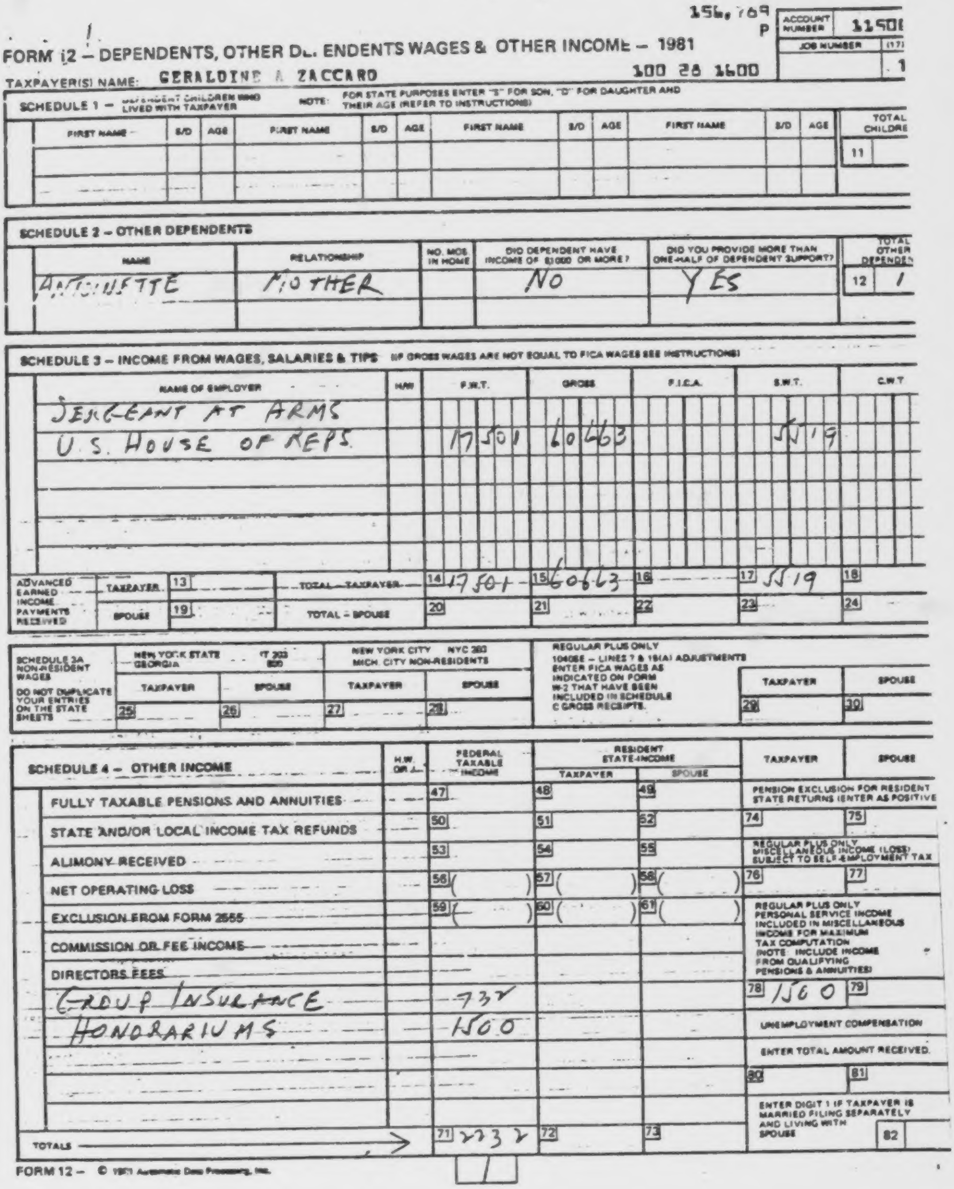

156,769
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ACCOUNT NUMBER	1150
JOB NUMBER	(17)
	. 1

FORM 12 – DEPENDENTS, OTHER DE. ENDENTS WAGES & OTHER INCOME – 1981

TAXPAYER(S) NAME: GERALDINE A ZACCARO 100 28 1600

SCHEDULE 1 – DEPENDENT CHILDREN WHO LIVED WITH TAXPAYER NOTE: FOR STATE PURPOSES ENTER "S" FOR SON, "D" FOR DAUGHTER AND THEIR AGE (REFER TO INSTRUCTIONS)

FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	TOTAL CHILDRE
												11

SCHEDULE 2 – OTHER DEPENDENTS

NAME	RELATIONSHIP	NO. MOS. IN HOME	DID DEPENDENT HAVE INCOME OF $1000 OR MORE?	DID YOU PROVIDE MORE THAN ONE-HALF OF DEPENDENT SUPPORT?	TOTAL OTHER DEPENDEN
ANTOINETTE	MOTHER		NO	YES	12 1

SCHEDULE 3 – INCOME FROM WAGES, SALARIES & TIPS (IF GROSS WAGES ARE NOT EQUAL TO FICA WAGES SEE INSTRUCTIONS)

NAME OF EMPLOYER	H/W	F.W.T.	GROSS	F.I.C.A.	S.W.T.	C.W.T.
SERGEANT AT ARMS						
U.S. HOUSE OF REPS.		17501	60663		5519	

ADVANCED EARNED INCOME PAYMENTS RECEIVED	TAXPAYER	13	TOTAL – TAXPAYER	14 17501	15 60663	16	17 5519	18
	SPOUSE	19	TOTAL – SPOUSE	20	21	22	23	24

SCHEDULE 3A NON-RESIDENT WAGES DO NOT DUPLICATE YOUR ENTRIES ON THE STATE SHEETS	NEW YORK STATE IT 203 GEORGIA 500		NEW YORK CITY NYC 203 MICH. CITY NON-RESIDENTS		REGULAR PLUS ONLY 1040SE – LINES 7 & 19(A) ADJUSTMENTS ENTER FICA WAGES AS INDICATED ON FORM W-2 THAT HAVE BEEN INCLUDED IN SCHEDULE C GROSS RECEIPTS.		
	TAXPAYER	SPOUSE	TAXPAYER	SPOUSE		TAXPAYER	SPOUSE
	25	26	27	28		29	30

SCHEDULE 4 – OTHER INCOME	H.W. OR J.	FEDERAL TAXABLE INCOME	RESIDENT STATE-INCOME TAXPAYER	RESIDENT STATE-INCOME SPOUSE	TAXPAYER	SPOUSE
					PENSION EXCLUSION FOR RESIDENT STATE RETURNS (ENTER AS POSITIVE	
FULLY TAXABLE PENSIONS AND ANNUITIES		47	48	49		
STATE AND/OR LOCAL INCOME TAX REFUNDS		50	51	52	74	75
ALIMONY RECEIVED		53	54	55	REGULAR PLUS ONLY MISCELLANEOUS INCOME (LOSS) SUBJECT TO SELF-EMPLOYMENT TAX	
NET OPERATING LOSS		56 ( )	57 ( )	58 ( )	76	77
EXCLUSION FROM FORM 2555		59 ( )	60 ( )	61 ( )	REGULAR PLUS ONLY PERSONAL SERVICE INCOME INCLUDED IN MISCELLANEOUS INCOME FOR MAXIMUM TAX COMPUTATION (NOTE: INCLUDE INCOME FROM QUALIFYING PENSIONS & ANNUITIES)	
COMMISSION OR FEE INCOME						
DIRECTORS FEES						
GROUP INSURANCE		732			78 1500	79
HONORARIUMS		1500			UNEMPLOYMENT COMPENSATION	
					ENTER TOTAL AMOUNT RECEIVED.	
					80	81
					ENTER DIGIT 1 IF TAXPAYER IS MARRIED FILING SEPARATELY AND LIVING WITH SPOUSE	82
TOTALS →		71 2232	72	73		

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FORM 13 – DIVIDEND INCOME – 1981

P

ACCOUNT NO	(17) (1	
115358	13	

TAXPAYER(S) NAME GERALDINE A ZACCARO 103 28 1600

13	SCHEDULE 5 – DIVIDEND INCOME *IF SCHEDULE D IS NOT USED THE COMPUTER WILL CALCULATE 40% CAP GAIN DIST. AS OTHER INCOME	H.W. OR J	QUALIFYING	TOTAL *CAP GAIN DISTRIBUTIONS	NONTAXABLE	NON-QUALIFYING	N.J. & P.A. STATE AMOUNT

RECAP TOTALS ONLY	TAXPAYER		TOTAL – TAXPAYER	11	12	13	14	23
	SPOUSE		TOTAL – SPOUSE	15	16	17	18	24
	JOINT		TOTAL – JOINT INC.	19	20	21	22	25
	GROSS DIV							

ALTERNATIVE SCH. D TAX	ENTER CAP GAIN DIST RECEIVED AFTER JUNE 9, 1981	TAXPAYER	26	SPOUSE	27	JOINT	28

FORM 14 – INTEREST INCOME – 1981

14

14	SCHEDULE 6 – INTEREST INCOME	H.W. OR J	INTEREST OTHER THAN ALL SAVERS		*ALL SAVERS CERTIFICATES*	STATE MODIFICATION	MASS 5% INTEREST & MI INTANGIBLE TAX
			QUALIFYING	NON-QUALIFYING			
	RIDGEWOOD SAV		1212				
	CONGRESSIONAL FED CR. UNION		828				
	Pick Up						
	EAST RIVER		1678				
	DREYFUS LIQUID		1660				

	TOTAL – TAXPAYER	17	18	19	40	50
EXCLUSION FROM FORM 2581	TOTAL – SPOUSE	20 5358	21	22	41	51
	TOTAL – JOINT INC.	23	24	25	42	52

*ALL SAVERS CERTIFICATE EXCLUSION OPTIONS.
BLANK – COMPUTER TO DETERMINE EXCLUSION
DIGIT 1 – DO NOT TAKE EXCLUSION THIS YEAR
DIGIT 2 – EXCLUDE MAXIMUM ALLOWABLE AMOUNT THIS YEAR – OR –
ENTER THE AMOUNT TO EXCLUDE IF LESS THAN THE FULL AMOUNT 26

FORFEITED INTEREST PENALTY FOR PREMATURE WITHDRAWAL
TAXPAYER 27
SPOUSE 28

STATE MODIFICATION OF INTEREST INCOME
ENTER STATE NONTAXABLE PORTION OF FEDERAL INTEREST INCOME IN THE STATE MODIFICATION COLUMN AS A NEGATIVE.
ENTER FEDERAL NONTAXABLE INTEREST INCOME WHICH IS TO BE PICKED UP FOR STATE RETURN IN THE STATE MODIFICATION COLUMN AS A POSITIVE.
ENTER NET MODIFICATION IN THE APPROPRIATE BOX(ES).

FOREIGN ACCOUNTS AND FOREIGN TRUSTS
ENTER DIGIT 1 IF THE TAXPAYER(S) HAD A FOREIGN BANK ACCOUNT, ETC., DURING THE TAXABLE YEAR. IF YES, SEE PAGE 21 OF IRS INSTRUCTIONS. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER 30
ENTER DIGIT 1 IF THE TAXPAYER(S) WERE GRANTORS OR TRANSFERORS OF A FOREIGN TRUST DURING THE TAXABLE YEAR. IF YES, ATTACH FORM 3520, 3520A, OR 926 TO THE RETURN. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER 31

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156,789

FORM 15 – ITEMIZED DEDUCTIONS – 1981

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ACCOUNT NO.	(17)
115068	15

TAXPAYERS NAME: GERALDINE A ZACCARO

100 28 1600

SCHEDULE 7 – MEDICAL & DENTAL		
MEDICAL INSURANCE PREMIUMS IN FULL	11	300
MEDICINE AND DRUGS BEFORE EXCLUSION	12	
6a DOCTORS, DENTISTS, ETC. (RECEIPTS & CHECKS)	13	
6b HOSPITALS	14	
6c TRANSPORTATION	15	
6d OTHER MEDICAL (DO NOT DUPLICATE ENTRY OF DRS. ETC.)		
GLASSES, HEARING AIDS, ETC.		
LAB FEES & X-RAYS		
MEDICAL SUPPLIES		
MEDICAL INSURANCE REIMBURSEMENTS		( )
TOTAL MEDICAL (TOTAL OF ALL ITEMS) →	21	300

SCHEDULE 8 – TAXES		
RECAP OF STATE &/OR CITY TAX PAYMENTS		
1. 1981 WITHHOLDING		551
2. 1981 ESTIMATED TAX PAYMENTS MADE IN 1981		
3. 4TH QUARTER 1980 ESTIMATE PAID IN 1981		
4. BALANCE PAID WITH 1980 RETURN		126
5. OTHER PAYMENTS MADE DURING 1981		
STATE AND LOCAL INCOME (TOTAL LINES 1 TO 5)	50	73
REAL ESTATE TAX	51	
GENERAL SALES OPTIONAL COMPUTATION BELOW	52	72
SALES TAX ON NEW AUTO	53	
PERSONAL PROPERTY	54	
SALES TAX ON MAJOR PURCHASES		
STOCK TRANSFER TAX		
NEW JERSEY STATE UNEMPLOYMENT		
FEDERAL DEDUCTIBLE TAXES →	60	811

INFORMATION FOR SALES TAX COMPUTATION

ENTER DIGIT 1 FOR OPTIONAL COMPUTATION	70	
ENTER PERCENT TO ADD TO TABLE (ROUNDED TO NEAREST %)	71	%
INCREASE OR (DECREASE) AGI (SEE INSTRUCTIONS)	72	

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FORM 17 – ITEMIZED DEDUCTIONS (CONTINUED) 1981

TAXPAYERS NAME: GERALDINE A ZACCARO

P

100 28 1600

ACCOUNT NO.	(17-1
115068	17

SCHEDULE 9 – CONTRIBUTIONS (SEE INSTRUCTIONS)				
50% CONTRIBUTIONS		$3000 AND UNDER		OVER $3000
CASH CONTRIBUTIONS (RECEIPTS)		690		
CHURCH				
TEMPLE				
UNITED JEWISH APPEAL				
UNITED FUND				
HEART FUND				
CANCER FUND				
CAR EXPENSE @ 9¢ MILE				
MISCELLANEOUS CHARITIES				
OTHER CONTRIBUTIONS:				
TOTAL 50% CONTRIBUTIONS	10	690	11	
CURRENT YEAR CONTRIBUTIONS SUBJECT TO:				
30% LIMITATION	22		23	
20% LIMITATION	24		25	
CONTRIBUTION OTHER THAN CASH			26	
CONTRIBUTION CARRYOVER (ATTACH STATEMENT)		50%	27	
		30%	28	
TOTAL CONTRIBUTIONS (TOTAL OF BOXES 10, 11, 22-28)		29		690

SCHEDULE 10 – CASUALTY OR THEFT LOSSES			
25. LOSS BEFORE REIMBURSE.	DO NOT MAKE ENTRIES IF MORE THAN 1 CASUALTY OR THEFT LOSS	30	
26. INSURANCE REIMBURSEMENT.		31	( )
27. SUBTRACT LINE 26 FROM LINE 25.			
28. ENTER SMALLER OF $100 OR LINE 27.			(100)
29. CASUALTY OR THEFT LOSS (LINE 27 LESS LINE 28) (IF MORE THAN ONE LOSS – SEE INSTRUCTIONS)		32	

SCHEDULE 11 – INTEREST EXPENSE		
HOME MORTGAGE	40	
CREDIT AND CHARGE CARDS	41	
AUTO LOAN		
FINANCE CO.		
HOME IMPROVEMENT LOAN		
BANK LOAN		
MARGIN ACCOUNT		
TOTAL INTEREST →	50	

SCHEDULE 12 – MISCELLANEOUS DEDUCTIONS		
UNION DUES	60	
TAX PREPARATION FEE	61	
INVESTMENT EXPENSES		
SAFE DEPOSIT BOX		
PROFESSIONAL DUES		
BUSINESS PUBLICATIONS		
EDUCATION EXPENSES		
UNIFORMS		
WORK TOOLS		
OFFICE IN HOME		
BUSINESS ENTERTAINMENT AND GIFTS		
DUES		205
ADVERTISING		597.
MISC. EXPENSES		170
TOTAL MISCELLANEOUS DEDUCTIONS →	72	972

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**FORM 44 — PARTLY TAXABLE PENSIONS AND ANNUITIES
SCHEDULE E — PARTNERSHIP, ESTATE OR TRUST, SMALL BUSINESS CORP. INCOME — 1981**

P

ACCOUNT NO	(17) (18)
11506 P	44

TAXPAYER'S NAME Geraldine A. Zaccaro

PARTLY TAXABLE PENSION AND ANNUITY INCOME				
DID YOU OR YOUR EMPLOYER CONTRIBUTE PART OF THE COST?		YES ☐	NO ☐	
IF "YES," IS YOUR CONTRIBUTION RECOVERABLE WITHIN 3 YEARS OF THE ANNUITY STARTING DATE?		YES ☐	NO ☐	
1A IF "YES," SHOW YOUR CONTRIBUTION $	1B YOUR CONTRIBUTION RECOVERED IN PRIOR YEARS	1C		
2 AMOUNT RECEIVED THIS YEAR		10		
3 AMOUNT ON LINE 2 THAT IS NOT TAXABLE				
4 TAXABLE PORTION (LINE 2 LESS LINE 3)	FEDERAL	11		
RESIDENT STATE	TAXPAYER	12		
	SPOUSE	13		

FOR STATE RETURN ADJUSTMENT ENTER NONTAXABLE PENSION INCOME (E.G. TEACHER'S PENSION) ENTER AS POSITIVE	TAXPAYER	14	
	SPOUSE	15	
ENTER TAXABLE PENSION & ANNUITY INCOME THAT QUALIFIES AS PERSONAL SERVICE INCOME FOR MAXIMUM TAX COMPUTATION	TAXPAYER	50	
	SPOUSE	51	
PART II AT RISK LIMITATION	ENTER DIGIT 1 IF TAXPAYER HAS AMOUNTS FOR WHICH HE IS NOT "AT RISK" IN A LOSS ACTIVITY	52	
	IF A DIGIT 1 IS ENTERED IN BOX 52 ABOVE, AND THE LOSS EXCEEDED THE AMOUNT "AT RISK," DID YOU LIMIT THE LOSS TO THE AMOUNT "AT RISK?" ENTER DIGIT 1 = NO	53	
PART III WINDFALL PROFIT TAX	WINDFALL PROFIT TAX CREDIT OR REFUND RECEIVED IN 1981	54	
	WINDFALL PROFIT TAX WITHHELD IN 1981	55	
FARMERS AND FISHERMEN: ENTER YOUR SHARE OF GROSS FARMING AND FISHING INCOME APPLICABLE TO SCHEDULE E, PARTS I AND II		60	

SCHEDULE E — PART II INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPORATIONS

A) NAME, ADDRESS & B) EMPLOYER ID. NO.	H OR W	PARTNERSHIPS c) LOSS	PARTNERSHIPS d) INCOME	PARTNERSHIPS 1st YEAR ADD'L DEPREC.	SELF-EMPLOYMENT INCOME (LOSS) & PERSONAL SERVICE INCOME FOR MAXIMUM TAX	ESTATES OR TRUSTS c) LOSS	ESTATES OR TRUSTS d) INCOME	SMALL BUS. CORPS c) LOSS	SMALL BUS. CORPS d) INCOME
P. Zaccaro Co Inc									
218 Lafayette St									
N.Y. NY 10012									
# 13-2682158									2,962
TOTALS — FEDERAL		17	18	19		20	21	22	23 2,962
RESIDENT STATE AND SELF-EMPLOYMENT INCOME (LOSS) — TAXPAYER		24	25	26	27	28	29	30	31 2,962
RESIDENT STATE AND SELF-EMPLOYMENT INCOME (LOSS) — SPOUSE		32	33	34	35	36	37	38	39

FORM 44 - © 1981 Automatic Data Processing, Inc.

FORM 71 – REGULAR + – FORM 2106 – EMPLOYEE BUSINESS EXPENSES – 1981

P

156,789

ENTER BELOW IN BOX 18 1, 2, 3 OR 4 ↓

ACCOUNT NO.	(17)	(18)
115068	7	1

TAXPAYER(S) NAME GERALDINE A ZACCARO 100 28 1600

EMPLOYER'S NAME	OCCUPATION		
EMPLOYER'S ADDRESS	CITY	STATE	ZIP

ENTER DIGIT 1 TO INDICATE SPOUSE'S FORM 2106	10	
ENTER DIGIT 1 (EQUALS 100%) OR ENTER TWO-DIGIT PERCENTAGE (IF LESS THAN 100%) TO TRANSFER EMPLOYEE BUSINESS EXPENSES TO N.Y. STATE NONRESIDENT & THE MICHIGAN CITY AND CLEVELAND CCA	11	

PART IV – CAR EXPENSES – ENTER OPTIONAL AND/OR REGULAR METHOD INFORMATION AS APPLICABLE

A. MONTHS AUTO HELD FOR BUSINESS USE	12		CAR INTEREST	40	
B. TOTAL MILEAGE FOR MONTHS IN (A) ABOVE	13		STATE AND LOCAL TAXES OTHER THAN GASOLINE	41	
C. ENTER ONLY ONE: ACTUAL MILES APPLICABLE TO BUSINESS	14		ENTER MILES AT 20¢ USED ELSEWHERE OR ENTER DIGIT 1 IF CAR IS FULLY DEPRECIATED (11¢ A MILE)		
– OR – DECIMAL FRACTION OF MILEAGE APPLICABLE TO BUSINESS	15			42	

REGULAR METHOD INFORMATION: ENTER DIGIT 1 IF OPTIONAL METHOD IS NOT AVAILABLE FOR AUTO ⟶				16	
1. GASOLINE, OIL, LUBRICATION, ETC.	17		2. REPAIRS	20	
3. TIRES, SUPPLIES, ETC.	18		4. INSURANCE	21	
4. TAGS AND LICENSES	19		6. OTHER – ITEMIZE BELOW	22	
5. DEPRECIATION – ATTACH SCHEDULE				23	
PARKING FEES AND TOLLS (FOR BUSINESS USE ONLY)				24	

PART 1 – EMPLOYEE BUSINESS EXPENSES WHICH ARE DEDUCTIBLE IN FIGURING ADJUSTED GROSS INCOME ON FORM 1040

AIRPLANE, BOAT, RAILROAD FARES	27		DINNER AND MEAL EXPENSES		ADVERTISING, EXHIBIT FEES		
MEALS AND LODGING	28		ENTERTAINMENT		GIFTS		
TAXIS, BUS AND SUBWAY FARES			COMMISSIONS PAID		OFFICE SUPPLIES & EXPENSES		
AUTO RENTAL CHARGES			TELEPHONE & TELEGRAMS		DUES & SUBSCRIPTIONS		
TIPS AND BAGGAGE CHARGES			STATIONERY & POSTAGE		PUBLIC STENOGRAPHER FEES		
OTHER TRAVEL EXPENSES			INSURANCE		OTHER – ITEMIZE BELOW		
DEPRECIATION – ATTACH SCHEDULE			PROFESSIONAL FEES		TOTAL SCHEDULE	64	19545

EMPLOYER'S REIMBURSEMENTS	ENTER THE AMOUNT OF EMPLOYER'S PAYMENTS FOR THESE EXPENSES IF NOT INCLUDED ON FORM W-2.	25	

PART II – EMPLOYEE BUSINESS EXPENSES WHICH ARE DEDUCTIBLE IF YOU ITEMIZE DEDUCTIONS ON SCHEDULE A (FORM 1040)

TELEPHONE		ENTERTAINMENT		
OFFICE-IN-HOME		GIFTS		
EDUCATION EXPENSE		OTHER – ATTACH STATEMENT TO RETURN		
PART II LINE 1 – TOTAL BUSINESS EXPENSES ITEMIZED DEDUCTIONS –			75	

OTHER BUSINESS EXPENSES – ITEMIZE AND INDICATE APPLICABLE LINE REFERENCE

PART III – INFORMATION ABOUT EDUCATION EXPENSES SHOWN IN PART I OR PART II

1) NAME OF EDUCATIONAL INSTITUTION OR ACTIVITY

2) ADDRESS

3) DID TAXPAYER NEED THIS EDUCATION TO MEET BASIC REQUIREMENTS FOR HIS JOB? YES ☐

4) WILL THIS STUDY PROGRAM QUALIFY TAXPAYER FOR A NEW JOB? YES ☐

5) IF ANSWER TO 3 OR 4 IS NO, EXPLAIN WHY TAXPAYER IS GETTING THE EDUCATION AND THE RELATIONSHIP BETWEEN THE COURSES AND THE JOB.

6) LIST MAIN SUBJECTS OR DESCRIBE EDUCATIONAL ACTIVITY

FORM 71 – © 1981 Automatic Data Processing, Inc.

GERALDINE A. ZACCARO #115068

STATEMENT OF CONGRESSIONAL REIMBURSEMENTS AND EXPENSES

NOTE: Before preparing this statement, please read the accompanying information. Some reimbursements are not includible in gross income and other reimbursements, in some circumstances, need not be reported on your return. Do not include amounts received from non-Congressional sources. You may use Form 2106 in place of this statement (attached).

Congressional Reimbursements for Expenses — 1981

1.	Reimbursement at the rate of 20 cents a mile for travel going to and returning from each regular session, (2 USC sec. 43)	$ 102
2.	Reimbursement for other travel expenses	
3.	Reimbursement for other deductible expenses (if any)	
4.	Reimbursement for nondeductible expenses (if any)	
5.	Total reportable reimbursements	$ 102

Expenses Deductible as Adjustments to Income

6.	Living expenses in the Washington, D.C. area: (Internal Revenue Code 26 USC 162(A))		
A.	Actual Living Expenses (attach detailed Statement)		
B.	Maximum Daily Allowance Subsistence (262 "Congressional Days" × $75.00)		19650
C.	Two-Thirds Maximum Daily Allowable Subsistence (____ "Congressional Days" × $50.00)		
	Interest on Residence		
	Taxes on Residence		
	Total		
7.	Travel expenses: Other (attach detailed statement)		
8.	Other expenses (limited to amount on line 3)		
9.	Total expenses		$ 19650
10.	Excess reimbursement (excess of line 5 over line 9. Include on Form 1040, line 20)		$
11.	Deductible expenses (excess of line 9 over line 5. Include on Form 1040, line 23)		$ 19.548

Expenses Deductible as Itemized Deductions

NOTE: These expenses include deductible Congressional expenses, other than for travel, which were not reimbursed by Congressional allowances. They include those expenses which may have been reimbursed from outside sources, such as contributed funds. Specify the kind of expense and total all expenses of the same kind. If additional space is needed, list the expenses on a separate sheet. Write "See separate sheet attached" on line 12 and enter the total amount on line 13.

12.	DUES ADVERTISING AND	$
	MISC. EXPENSES	$ 972
13.	Total expenses deductible. Include on line 30, Schedule A (Form 1040)	$ 972

FORM 37 – DATA SHEET #1 1981

TAXPAYER(S) NAME: GERALDINE A ZACCARO

ACCOUNT NO.	(17-18)
115062	37

ADJUSTMENTS TO FEDERAL INCOME (ENTER AS POSITIVE AMOUNTS)

DO NOT MAKE ENTRIES IN BOXES 11-14, 17-20 IF YOU ARE SUBMITTING FORMS 41A, 41B, 71 OR 750 (FORM 3903F)	TAXPAYER		SPOUSE	
KEOGH CONTRIBUTIONS	11		12	
DO NOT LIMIT KEOGH DEDUCTION, ENTER DIGIT 1	13		14	
ALIMONY PAID	15		16	
EMPLOYEE BUSINESS EXPENSE (MANUALLY PREPARED)	17		18	
FORM 3903F (MANUALLY PREPARED)	19		20	
FORM 2556 EXPENSES	21		22	
FORESTATION / REFORESTATION AMORTIZATION	23		24	
REPAYMENT OF SUB-PAY UNDER THE TRADE ACT OF 1974	25		26	

PAYMENTS TO AN IRA (FORM 1040, PAGE 1, LINE 24 & 25)

ENTER APPLICABLE CODE CODE IN BOX 27 (CODES 1 TO 6)

1 Individual IRA
2 Two individual IRAs
3 One individual IRA and one spousal IRA
4 One SEP
5 Two SEPs
6 One individual IRA and one SEP

	CODE ↓
	27

	TAXPAYER		SPOUSE	
IRA CODES 4, 5, & 6 ONLY: ENTER DIGIT 1 IF TAXPAYER IS A SCHEDULE C OR F FILER OR A PARTNER WITH A SEP	28		29	
ENTER AMOUNT PAID TO IRA	30		31	
EMPLOYER'S SEP PAYMENTS TO IRA	32		33	
AMOUNT PAID TO YOUR NON-WORKING SPOUSE'S IRA	34		35	
ELIGIBLE EXCESS PAYMENTS MADE IN EARLIER YEARS.	36		37	
WAGES & OTHER EARNED INCOME (OVERRIDES COMPUTER)	38		39	
DO NOT LIMIT IRA DEDUCTION (DIGIT 1)	40		41	

INCOME AVERAGING – ADDITIONAL INFORMATION

LINE 4	INCOME EARNED OUTSIDE OF THE UNITED STATES OR WITHIN U.S. POSSESSIONS AND EXCLUDED UNDER SECTIONS 911 AND 931	1980	42	
		1979	43	
		1978	44	
		1977	45	
LINE 7	AMOUNTS RECEIVED BY OWNER-EMPLOYEES SUBJECT TO SEC. 72 (M) (5) PENALTY		46	
LINE 8	EXCESS COMMUNITY INCOME		47	

OTHER CREDITS TO FEDERAL INCOME TAX	1116 FOREIGN TAX CREDIT (MANUALLY PREPARED)	49	
	6478 ALCOHOL FUEL CREDIT	50	
	5884 JOBS CREDIT (MANUALLY PREPARED)	51	
	5695 ENERGY CREDIT (MANUALLY PREPARED)	52	
	CREDIT FOR FUEL FROM A NONCONVENTIONAL SOURCE	53	
	6765—CREDIT FOR INCREASING RESEARCH ACTIVITES	54	
	CREDIT FOR REPAYMENT OF SUB-PAY UNDER TRADE ACT OF 1974	55	
OTHER TAXES	4970 TAX FROM ACCUMULATION TRUSTS	56	
	4972 SPECIAL 10 YEAR AVERAGING METHOD (MANUALLY PREPARED)	57	
	5544 MULTIPLE RECIPIENT SPECIAL 10-YEAR AVERAGING METHOD	58	
	RESIDENCE CREDIT RECAPTURE - FORM 1040, PAGE 2, LINE 38	59	
	4255 INVESTMENT CREDIT RECAPTURE TAX (MANUALLY PREPARED)	60	
	4137 SOC. SEC. TAX ON UNREPORTED TIP INCOME	61	
	W-2 UNCOLLECTED EMPLOYEE SOC. SEC. – TIPS	62	
	5329 TAX ON AN IRA – FORM 1040, PAGE 2, LINE 52	63	
OTHER PAYMENTS & FEDERAL EXTENSION DATA	2439 REGULATED INVESTMENT COMPANY CREDIT	64	
	TAX FREE COVENANT BOND CREDIT	65	
	OVERPAID WINDFALL PROFITS TAX	66	
	4868 AMOUNT PAID WITH APPLICATION FOR AUTOMATIC EXTENSION OR ENTER DIGIT 1, 2 OR 3 (SEE INSTR.)	67	
	ENTER THE EXTENDED FILING DUE DATE OF THE RETURN	68	
OPTIONAL FEDERAL FILING ADDRESS—SEE INSTRUCTIONS		69	

OTHER ITEMS

ENTER DIGIT 1 (IF TAXPAYER MUST ITEMIZE DEDUCTIONS (DUAL-STATUS ALIEN OR FILING FORM 4563).		72	
EARNED INCOME CREDIT – LINE 2 – ENTER AMOUNT TO OVERRIDE SCHEDULE SE, LINE 13		73	
EARNED INCOME CREDIT – ENTER DIGIT 1 IF EARNED INCOME CREDIT SHOULD NOT BE COMPUTED		74	
LIMITED STANDARD DEDUCTION OF CHILD WITH UNEARNED INCOME. ENTER TOTAL EARNED INCOME (LOSS) IF TAXPAYER'S EARNED INCOME INCLUDED MORE THAN INCOME FROM WAGES & SCHEDULE C AND/OR F.		75	
REPAYMENT OF 1099 – UC AMOUNTS: ENTER PORTION OF TOTAL UNEMPLOYMENT COMPENSATION SHOWN ON FORM 12 THAT WAS REPAID IN 1981.	TAXPAYER	76	
	SPOUSE	77	

FORM 3468 – INVESTMENT CREDIT – REGULAR + ONLY (EXECUTAX – USE FORMS 19 &/ OR 38)

	NEW		USED				
LINE 1 – RECOVERY PROPERTY	NEW		USED		QUALIFIED PROGRESS EXPENDITURES – PART 1, LINE C	90	
RECOVERY PERIOD – 3 YEARS	78		79		QUALIFIED REHABILITATION EXPENDITURES INCURRED BEFORE JANUARY 1, 1982		
RECOVERY PERIOD –OTHER	80	138✓	81		LINE 7A – LIFE YEARS 5 TO 7	91	
LINE 3 – NONRECOVERY PROPERTY	NEW		USED		LINE 7B – LIFE YEARS 7 OR MORE	92	
LIFE YEARS 3-5	82		83		REGULAR INVESTMENT CREDIT ALLOCATED FROM COOPERATIVE	93	
LIFE YEARS 5-7	84		85		ENTER CARRYOVER OF UNUSED CREDITS—FORM 3468, LINE 18	94	
LIFE YEARS 7 OR MORE	86		87		TAX ON LUMP SUM DISTRIBUTIONS, LINE 23C	95	
COMMUTER HIGHWAY VEHICLE	88		89		TENTATIVE BUSINESS ENERGY INVESTMENT CREDIT SCHEDULE B, LINE 14	96	

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Form 1040 Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return 1982

EXHIBIT NO. 12

For the year January 1–December 31 1982 or other tax year beginning , 1982 ending , 19 . OMB No. 1545-0074

Your first name and initial (if joint return, also give spouse's name and initial): GERALDINE A
Last name: (ZACCARO) FERRARO
Your social security number: 100-28-1600
Present home address: 22 DEEPDANE RD
Spouse's social security no.: 061-30-8534
City, town or post office, State and ZIP code: FOREST HILLS NY 11375
Your occupation ▶ CONGRESS US
Spouse's occupation ▶

Presidential Election Campaign
Do you want $1 to go to this fund? ☒ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☐ Yes ☐ No
Note: *Checking "Yes" will not increase your tax or reduce your refund.*

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Filing Status
Check only one box.
1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Enter spouse's social security number above and full name here ▶ JOHN (ZACCARO) ~~FERRARO~~
4 ☐ Head of household (with qualifying person). (See page 6 of Instructions.) If the qualifying person is your unmarried child but not your dependent, enter child's name ▶
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions.)

Exemptions
Always check the box labeled Yourself. Check other boxes if they apply.
6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1
c First names of your dependent children who lived with you ▶
Enter number of children listed on 6c ▶

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?
ANTOINETTE	MOTHER		NO	YES

Enter number of other dependents ▶ 1
e Total number of exemptions claimed . . . Add numbers entered in boxes above ▶ 2

Income
Please attach Copy B of your Forms W-2 here.
If you do not have a W-2, see page 5 of Instructions.
Please attach check or money order here.

7	Wages, salaries, tips, etc. SEE STATEMENT 1		7	60,663.
8	Interest income *(attach Schedule B if over $400 or you have any All-Savers interest)*		8	2,495.
9a	Dividends *(attach Schedule B if over $400)*	9a 1,880.		
b	Exclusion	9b 100.		
c	Subtract line 9b from line 9a		9c	1,780.
10	Refunds of State and local income taxes		10	
11	Alimony received		11	
12	Business income or (loss) *(attach Schedule C)*		12	
13	Capital gain or (loss) *(attach Schedule D)*		13	
14	40% capital gain distributions not reported on line 13 (See page 9 of Instructions)		14	
15	Supplemental gains or (losses) *(attach Form 4797)*		15	
16	Fully taxable pensions, IRA distributions, and annuities not reported on line 17		16	
17a	Other pensions and annuities. Total received	17a		
b	Taxable amount, if any, from worksheet on page 10 of Instructions		17b	
18	Rents, royalties, partnerships, estates, trusts, etc. *(attach Schedule E)*		18	51.
19	Farm income or (loss) *(attach Schedule F)*		19	
20a	Unemployment compensation (insurance). Total received	20a		
b	Taxable amount, if any, from worksheet on page 10 of Instructions		20b	
21	Other income ▶ SEE STATEMENT 4		21	4,099.
22	Total income. Add amounts in column for lines 7 through 21 ▶		22	69,088.

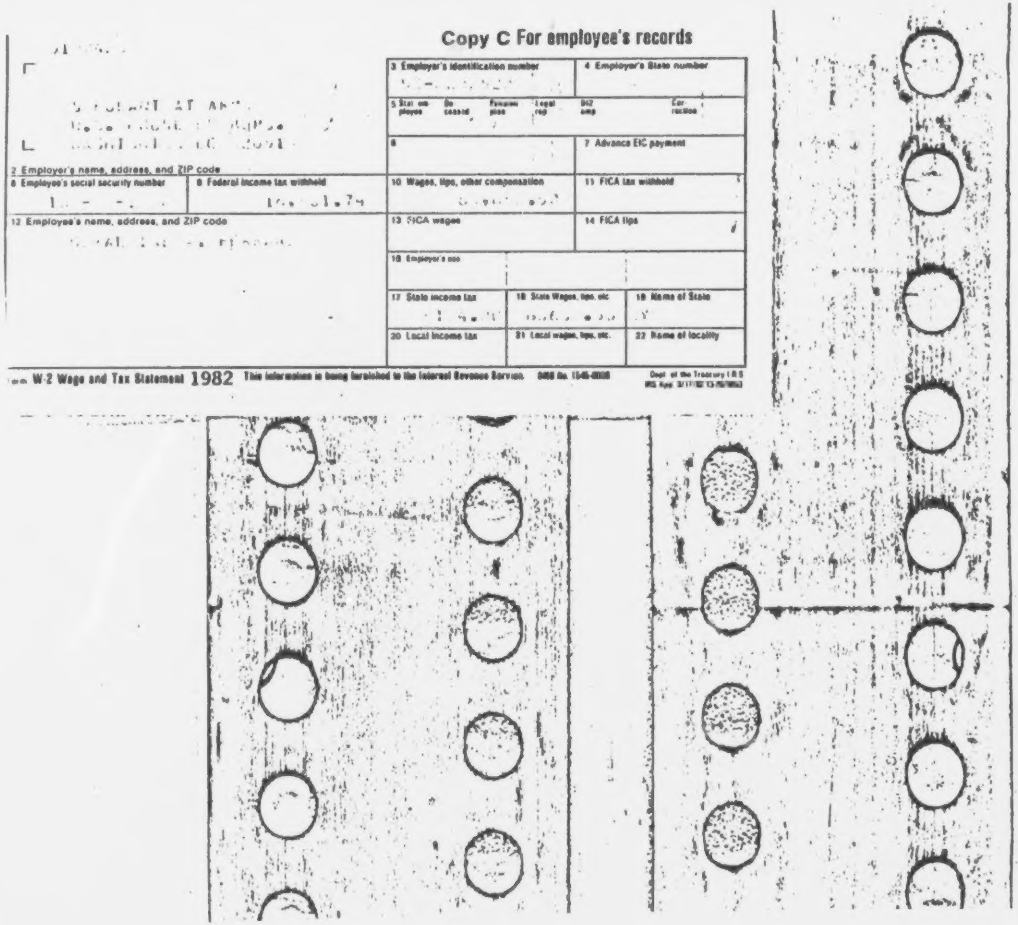
Adjustments to Income
(See Instructions on page 11)

23	Moving expense *(attach Form 3903 or 3903F)*	23		
24	Employee business expenses	24 3,450.		
25	Payments to an IRA. Enter code from page 11 (1).	25 2,000.		
26	Payments to a Keogh (H.R.10) retirement plan	26		
27	Penalty on early withdrawal of savings	27		
28	Alimony paid	28		
29	Deduction for married couple when both work *(attach Schedule W)*	29		
30	Disability income exclusion *(attach Form 2440)*	30		
31	Total adjustments. Add lines 23 through 30 ▶		31	5,450.

Adjusted Gross Income

32	Adjusted gross income. Subtract line 31 from line 22. *If this line is less than $10,000, see "Earned Income Credit" (line 62) on page 15 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions* ▶		32	63,638.

95-2396883



Copy C For employee's records

[illegible]

[illegible]

2 Employer's name, address, and ZIP code

3 Employer's identification number [illegible]	4 Employer's State number
5 Stat em-ployee · De-ceased · Pension plan · Legal rep · 942 emp · Cor-rection	
6	7 Advance EIC payment
8 Employee's social security number [illegible]	9 Federal income tax withheld [illegible]
10 Wages, tips, other compensation [illegible]	11 FICA tax withheld
12 Employee's name, address, and ZIP code [illegible]	
13 FICA wages	14 FICA tips
16 Employer's use	

17 State income tax [illegible]	18 State Wages, tips, etc [illegible]	19 Name of State [illegible]
20 Local income tax	21 Local wages, tips, etc.	22 Name of locality

Form W-2 Wage and Tax Statement 1982 This information is being furnished to the Internal Revenue Service. OMB No. 1545-0008 Dept. of the Treasury I.R.S.

Tax Computation (See Instructions on page 12)	33	Amount from line 32 *(adjusted gross income)*			33	63,638.
	34a	If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 30			34a	8,706.
		Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 12 of the Instructions. Also see page 12 of the Instructions if: ● *You are married filing a separate return and your spouse itemizes deductions, OR* ● *You file Form 4563, OR* ● *You are a dual-status alien.*				
	34b	If you do not itemize, complete the worksheet on page 13. Then enter the allowable part of your charitable contributions here			34b	
	35	Subtract line 34a or 34b, whichever applies, from line 33			35	54,932.
	36	Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 6e			36	2,000.
	37	Taxable Income. Subtract line 36 from line 35			37	52,932.
	38	Tax. Enter tax here and check if from ☐ Tax Table, ☒ Tax Rate Schedule X, Y, or Z, or ☐ Schedule G			38	20,191.
	39	Additional Taxes. (See page 13 of Instructions.) Enter here and check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, or ☐ section 72 penalty taxes			39	
	40	Total. Add lines 38 and 39 ▶			40	20,191.
Credits (See Instructions on page 13)	41	Credit for the elderly *(attach Schedules R & RP)*	41			
	42	Foreign tax credit *(attach Form 1116)*	42			
	43	Investment credit *(attach Form 3468)*	43			
	44	Partial credit for political contributions	44	50.		
	45	Credit for child and dependent care expenses *(attach Form 2441)*	45			
	46	Jobs credit *(attach Form 5884)*	46			
	47	Residential energy credit *(attach Form 5695)*	47			
	48	Other Credits - see page 14 ▶	48			
	49	Total credits. Add lines 41 through 48			49	50.
	50	Balance. Subtract line 49 from line 40 and enter difference (but not less than zero) ▶			50	20,141.
Other Taxes (Including Advance EIC Payments)	51	Self-employment tax *(attach Schedule SE)*			51	
	52	Minimum tax *(attach Form 4625)*			52	
	53	Alternative minimum tax *(attach Form 6251)*			53	
	54	Tax from recapture of investment credit *(attach Form 4255)*			54	
	55	Social security (FICA) tax on tip income not reported to employer *(attach Form 4137)*			55	
	56	Uncollected employee FICA and RRTA tax on tips *(from Form W-2)*			56	
	57	Tax on an IRA *(attach Form 5329)*			57	
	58	Advance earned income credit (EIC) payments received *(from Form W-2)*			58	
06	59	Total Tax. Add lines 50 through 58 ■			59	20,141.
Payments Attach Forms W-2, W-2G, and W-2P to front.	60	Total Federal income tax withheld	60	16,802.		
	61	1982 estimated tax payments and amount applied from 1981 return	61			
	62	Earned income credit. If line 33 is under $10,000, see page 15 of Instructions	62			
	63	Amount paid with Form 4868	63			
	64	Excess FICA and RRTA tax withheld (two or more employers)	64			
	65	Credit for Federal tax on special fuels and oils *(attach Form 4136)*	65			
	66	Regulated Investment Company credit *(attach Form 2439)*	66			
	67	Total. Add lines 60 through 66 ▶			67	16,802.
Refund or Amount You Owe	68	If line 67 is larger than line 59, enter amount **OVERPAID** ▶			68	
	69	Amount of line 68 to be **REFUNDED TO YOU** ▶			69	
	70	Amount of line 68 to be applied to your 1983 estimated tax ▶	70			
	71	If line 59 is larger than line 67, enter **AMOUNT YOU OWE**. Attach check or money order for full amount payable to Internal Revenue Service. Write your social security number and "1982 Form 1040" on it. ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached) ▶ $			71	3,339.

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign)

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ▶ ☒	Preparer's social security no. 062-07-4105
Firm's name (or yours, if self-employed) and address ▶	SELGER & BRESSMAN 60 E 42ND STREET NEW YORK, N.Y.		E.I. No ▶ 11-2408598 ZIP code ▶ 10017

86-2396893

Schedules A & B (Form 1040)
Department of the Treasury
Internal Revenue Service

Schedule A – Itemized Deductions

▶ Attach to Form 1040. ▶ See instructions for Schedules A and B (Form 1040).

OMB NO. 1545-0074
1982
07

Name(s) as shown on Form 1040: GERALDINE A (ZACCARO) FERRARO

Your social security number: 100-28-1600

Medical and Dental Expenses	1	Medicines and drugs	1			
(Do not include expenses reimbursed or paid by others.)	2	Write 1% of Form 1040, line 33	2			
	3	Subtract line 2 from line 1. If line 2 is more than line 1, write zero	3			
	4	Total insurance premiums you paid for medical and dental care	4	1,061.		
	5	Other medical and dental expenses:				
	a	Doctors, dentists, nurses, hospitals, etc	5a			
(See page 17 of Instructions.)	b	Transportation	5b			
	c	Other (list - include hearing aids, dentures, eyeglasses, etc.) ▶	5c			
	6	Add lines 3 through 5c	6	1,061.		
	7	Multiply amount on Form 1040, line 33, by 3% (.03)	7	1,909.		
	8	Subtract line 7 from line 6. If line 7 is more than line 6, write zero	8	0.		
	9	Write one-half of amount on line 4, but not more than $150	9	150.		
	10	COMPARE amounts on line 8 and line 9, and write the LARGER amount here			▶ 10	150.
Taxes	11	State and local income	11	8,021.		
	12	Real estate	12			
(See page 18 of Instructions.)	13 a	General sales (see sales tax tables)	13a	728.		
	b	General sales on motor vehicles	13b			
	14	Other (list-include personal property) ▶ SPECIAL PURCHASE	14	288.		
	15	Add lines 11 through 14. Write your answer here			▶ 15	9,037.
Interest Expense	16 a	Home mortgage interest paid to financial institutions	16a			
(See page 19 of Instructions.)	b	Home mortgage interest paid to individuals (show that person's name and address) ▶	16b			
	17	Credit cards and charge accounts	17			
	18	Other (list) ▶ BANK	18	38.		
	19	Add lines 16a through 18. Write your answer here			▶ 19	38.
Contributions	20 a	Cash contributions. (If you gave $3,000 or more to any one organization, report those contributions on line 20b.)	20a	350.		
(See page 19 of Instructions.)	b	Cash contributions totaling $3,000 or more to any one organization. (Show to whom you gave and how much you gave.) ▶	20b			
	21	Other than cash	21			
	22	Carryover from prior years	22			
	23	Add lines 20a through 22. Write your answer here			▶ 23	350.
Casualty and Theft Losses and Miscellaneous Deductions	24	Total casualty or theft loss(es) (attach Form 4684)	24			
	25 a	Union and professional dues	25a			A
	b	Tax return preparation fee	25b			
(See page 20 of Instructions.)	26	Other (list) ▶ SCHEDULE	26	831.		
	27	Add lines 24 through 26. Write your answer here			▶ 27	831.
Summary of Itemized Deductions	28	Add lines 10, 15, 19, 23, and 27			28	10,406.
	29	If you checked Form 1040, Filing Status box { 2 or 5, write $3,400 1 or 4, write $2,300 3, write $1,700 }			29	1,700.
(See page 20 of Instructions.)	30	Subtract line 29 from line 28. Write your answer here and on Form 1040, line 34a. (If line 29 is more than line 28, see the instructions for line 30 on page 20.)			▶ 30	8,706.

(ZACCARO) FERRARO 247 4549-01 06

Schedules A & B (Form 1040) 1982

Schedule B—Interest and Dividend Income

OMB No. 1545-0074 07 Page 2

Name(s) as shown on Form 1040: GERALDINE A (ZACCARO) FERRARO

Your social security number: 100-28-1600

Part I Interest Income (See pages 8 and 20 of instructions.) Also complete Part III if you received more than $400 in interest.

If you received more than $400 in interest or you received any interest from an All-Savers Certificate, you must complete Part I and list ALL interest received. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 20.

Interest income other than interest from All-Savers Certificates		Amount
1 Interest income from seller-financed mortgages. (See instructions and show name of payer.)	1	
2 Other interest income (list name of payer)		
CITIBANK		685.
C A FRITZ		50.
RIDGEWOOD SAV		413.
EAST RIVER		619.
FIRST WOMENS BK		728.
3 Add lines 1 and 2	3	2,495.
Interest from All-Savers Certificates (ASCs). (See page 21.)		**Amount**
4 FED CR UNION		243.
5 Add amounts on line 4	5	243.
6 Write the amount of your ASC exclusion from the worksheet on page 21 of instructions	6	243.
7 Subtract line 6 from line 5	7	
8 Add lines 3 and 7. Write your answer here and on Form 1040, line 8 ▶	8	2,495.

Part II Dividend Income (See pages 9 and 21 of instructions.) Also complete Part III if you received more than $400 in dividends.

If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, or you are electing to exclude qualified reinvested dividends from a public utility, complete Part II. If you received dividends as a nominee for another, see page 21.

Name of payer			Amount
9 DREYFUS FUND			1,560.
CONG FED CR UNION			320.
10 Add amounts on line 9		10	1,880.
11 Capital gain distributions. Enter here and on line 13, Schedule D *	11		
12 Nontaxable distributions. (See instructions for adjustment to basis)	12		
13 Exclusion of qualified reinvested dividends from a public utility. (See instructions.)	13		
14 Add lines 11, 12, and 13		14	
15 Subtract line 14 from line 10. Write your answer here and on Form 1040, line 9a ▶		15	1,880.

*If you received capital gain distributions for the year and you do not need Schedule D to report any other gains or losses, do not file that schedule. Instead, enter 40% of your capital gain distributions on Form 1040, line 14.

Part III Foreign Accounts and Foreign Trusts (See page 21 of instructions.)

If you received more than $400 of interest or dividends, OR if you had a foreign account or were a grantor of, or a tranferor to, a foreign trust, you must answer both questions in Part III.

	Yes	No
16 At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country?	☐	☒
17 Were you the grantor of or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes", you may have to file Forms 3520, 3520-A, or 926	☐	☒

65-2396853

247 4549-01 07

SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

Supplemental Income Schedule

(From rents and royalties, partnerships, estates and trusts, etc.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074
1982
15

Name(s) as shown on Form 1040	Your social security number
GERALDINE A (ZACCARO) FERRARO	100-28-1600

Part I Rent and Royalty Income or Loss

1 Are any of the expenses listed below for a vacation home or other recreational unit (see instructions)? ☐ Yes ☐ No

2 If you checked "Yes," to question 1, did you or a member of your family occupy the vacation home or recreational unit for more than 14 days or more than 10% of the total days rented at fair rental value during the tax year? ☐ Yes ☐ No

Property Codes	Kind and Location of Property
A	
B	
C	

Rental and Royalty Income		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C)
3 a Rents received					
b Royalties received					3
Rental and Royalty Expenses					
4 Advertising	4				
5 Auto and travel	5				
6 Cleaning and maintenance	6				
7 Commissions	7				
8 Insurance	8				
9 Interest	9				
10 Legal and other professional fees	10				
11 Repairs	11				
12 Supplies	12				
13 Taxes (do NOT include Windfall Profit Tax here. See Part III, line 35.)	13				
14 Utilities	14				
15 Wages and salaries	15				
16 Other (list) ▶					
17 Total expenses other than depreciation and depletion. Add lines 4 through 16	17				17
18 Depreciation expense or Depletion	18				18
19 Total. Add lines 17 and 18	19				
20 Income or (loss) from rental or royalty properties. Subtract line 19 from line 3	20				

21 Add properties with profits on line 20, and write the total profits here	21	
22 Add properties with losses on line 20, and write the total (losses) here	22	
23 Combine amounts on lines 21 and 22, and write the net profit or (loss) here	23	
24 Net farm rental profit or (loss) from Form 4835, line 50	24	
25 Total rental or royalty income or (loss). Combine amounts on lines 23 and 24. If Parts II, III, and IV on page 2 do not apply, write the amount on Form 1040, line 18. Otherwise, include the amount in line 37 of Schedule E	25	

E

100-28-1600 (

Schedule E (Form 1040) 1982 **Page 2**

Part II Income or Losses from Partnerships, Estates or Trusts, or Small Business Corporations

If you report a loss below, do you have amounts invested in that activity for which you are not "at risk" (see instructions)? ☐ Yes ☐ No

If "Yes," and your loss exceeded your amount "at risk," did you limit your loss to your amount "at risk"? ☐ Yes ☐ No

	(a) Name	(b) Employer identification number	(c) Net loss (see instructions for "at risk" limitations)	(d) Net income
Partnerships				
	26 Add amounts in columns (c) and (d) and write here	26		
	27 Combine amounts in columns (c) and (d), line 26, and write net income or (loss)		27	
	28 Expense deduction for section 179 property. (Form 1065, Schedule K-1, line 11) Do not enter more than $5,000 ($2,500 if married filing separately)		28	
	29 Total partnership income or (loss). Combine lines 27 and 28. Write here and include in line 37 below		29	
Estates or Trusts				
	30 Add amounts in columns (c) and (d) and write here	30		
	31 Total estate or trust income or (loss). Combine amounts in columns (c) and (d), line 30. Write here and include in line 37 below		31	
Small Business Corporations	SEE STATEMENT 2			51.
	32 Add amounts in columns (c) and (d) and write here	32		51.
	33 Total small business corporation income or (loss). Combine amounts in columns (c) and (d), line 32. Write here and include in line 37 below		33	51.

Part III Windfall Profit Tax Summary

34 Windfall profit tax credit or refund received in 1982 (see Instructions)	34	
35 Windfall profit tax withheld in 1982 (see instructions)	35	
36 Combine amounts on lines 34 and 35. Write here and include in line 37 below	36	

Part IV Summary

37 TOTAL income or (loss). Combine lines 25, 29, 31, 33, and 36. Write here and on Form 1040, line 18 ▶	37	51.
38 Farmers and fishermen: Write your share of GROSS FARMING AND FISHING INCOME applicable to Parts I and II	38	

Part V Depreciation Claimed in Part I—**Complete only if property was placed in service before January 1, 1981. For more space, use Form 4562. If you placed any property in service after December 31, 1980, use Form 4562 for all property; do NOT complete Part V.**

	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in prior years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
Property A							
	Totals (Property A)						
Property B							
	Totals (Property B)						
Property C							
	Totals (Property C)						

95-2396853

241 -- 4549-01 09

Form **2106**
Department of the Treasury
Internal Revenue Service

Employee Business Expenses

(Please use Form 3903 to figure moving expense deduction.)
▶ Attach to Form 1040.

OMB No. 1545 - 0139
1982
54

Your name GERALDINE A (ZACCARO) FERRARO	Social security number 100-28-1600	Occupation in which expenses were incurred CONGRESSWOMAN
Employer's name	Employer's address	

Part I Employee Business Expenses Deductible in Figuring Adjusted Gross Income on Form 1040, Line 32

1 Reimbursed and unreimbursed fares for airplane, boat, bus, taxicab, train, etc	1	
2 Reimbursed and unreimbursed expenses for meals and lodging while away from your main place of work	2	
3 Reimbursed and unreimbursed car expenses from Part II.	3	
4 Reimbursed and unreimbursed outside salesperson's expenses other than those shown on lines 1, 2, and 3 ▶	4	
5 Reimbursed expenses other than those shown on lines 1 through 4 SEE STATEMENT 3	5	3,450.
6 Add lines 1 through 5	6	3,450.
7 Employer's payments for these expenses only if not included on Form W-2	7	
8 If line 6 is more than line 7, subtract line 7 from line 6. Enter here and on Form 1040, line 24.	8	3,450.
9 If line 7 is more than line 6, subtract line 6 from line 7. Enter here and on Form 1040, line 7	9	

Part II Car Expenses (Use either your actual expenses or the mileage rate.)

		Car 1	Car 2	Car 3
A. Number of months you used car for business during 1982		months	months	months
B. Total mileage for months in line A		miles	miles	miles
C. Business part of line B mileage		miles	miles	miles
Actual Expenses (Include expenses on lines 1 and 2 for only the months shown in line A, above.)				
1 Gasoline, oil, lubrication, etc	1			
2 Other	2			
3 Total (add lines 1 and 2)	3			
4 Divide line C by line B, above	4	%	%	%
5 Multiply line 3 by line 4	5			
6 Depreciation (based on percentage shown on line 4)	6			
Note: *Do not complete line 7 if you use ACRS or 12 months is entered on line A above. Go to line 8.* 7 Divide line 6 by 12 months	7			
8 Multiply line 7 by line A, or enter the amount from line 6 if line 7 was not completed	8			
9 Section 179 expense deduction (see instructions)	9			
10 Business parking fees and tolls	10			
11 Total (add lines 5, 8, 9, and 10). Enter here and in Part I, line 3	11			

Mileage Rate

12 Enter the smaller of (a) 15,000 miles or (b) the total mileage (Car 1 + Car 2 + Car 3) from line C, above	12	miles
13 Multiply line 12 by 20 ¢ (11 ¢ if applicable, see instructions)	13	
14 Enter any total mileage (Car 1 + Car 2 + Car 3) from line C that is over 15,000 miles.	14	miles
15 Multiply line 14 by 11 ¢ and enter here	15	
16 Business part of car interest, parking fees, tolls, and State and local taxes (except gasoline tax)	16	
17 Total (add lines 13, 15, and 16). Enter here and in Part I, line 3	17	

Part III Information About Educational Expenses Shown in Part I or on Schedule A (Form 1040)

1 Did you need this education to meet the basic requirements for your business or profession? ☐ Yes ☐ No

2 Will this study program qualify you for a new business or profession? ☐ Yes ☐ No

Note: If your answer to question 1 or 2 is "Yes", stop here, you cannot deduct these expenses, even if you do not intend to change your business or profession.

3 If "No", list the courses you took and their relationship to your business or profession ▶

55-2396893

Form 2106 (1982)

1982 FEDERAL INCOME TAX STATEMENTS PAGE 1

STATEMENT 1 - WAGES, SALARIES, TIPS, ETC.

EMPLOYERS NAME AND ADDRESS	INCOME TAX WITHHELD	WAGES SALARIES TIPS, ETC	FICA
US HOUSE OF REPRESENTATIVES	16,802	60,663	
TOTAL TAX WITHHELD, WAGES, AND FICA	16,802	60,663	0

STATEMENT 2 - INCOME FROM SMALL BUSINESS CORPORATIONS

NAME AND ADDRESS OF CORPORATION
P ZACCARO CO INC NO
13-2687158

ORDINARY INCOME	51

STATEMENT 3 - OTHER EMPLOYEE BUSINESS EXPENSES DEDUCTIBLE IN FIGURING ADJUSTED GROSS INCOME - FORM 2106

OTHER EXPENSES

SCHEDULE	3,450	
TOTAL OTHER BUSINESS EXPENSES		3,450

1982 FEDERAL INCOME TAX STATEMENTS

STATEMENT 4 - MISCELLANEOUS INCOME

	SUBJECT TO SE TAX	OTHER TAXABLE INCOME	TOTAL TAXABLE INCOME
GROUP INSURANCE		789	789
HONORARIUMS		3,310	3,310
TOTAL MISCELLANEOUS INCOME	0	4,099	4,099

GERALDINE A ZACCARO – 1982

STATEMENT OF CONGRESSIONAL REIMBURSEMENTS AND EXPENSES

NOTE: Before preparing this statement, please read the accompanying information. Some reimbursements are not includible in gross income and other reimbursements, in some circumstances, need not be reported on your return. Do not include amounts received from non-Congressional sources. You may use Form 2106 in place of this statement (attached).

Congressional Reimbursements for Expenses

1. Reimbursement at the rate of 20 cents a mile for travel going to and returning from each regular session (2 USC sec. 43) .... $ 51.
2. Reimbursement for other travel expenses ________
3. Reimbursement for other deductible expenses (if any) ________
4. Reimbursement for nondeductible expenses (if any) ________
5. Total reportable reimbursements .... $ 51

Expenses Deductible as Adjustments to Income

6. Travel expenses: Living expenses in the Washington, D.C. area. The maximum amount allowable is $3,000 (Internal Revenue Code 26 USC 162(a)) .... $ 3 000.
7. Travel expenses: Other (attach detailed statement) 501
8. Other expenses (limited to amount on line 3) ________
9. Total expenses .... $ 3501
10. Excess reimbursement (excess of line 5 over line 9. Include on Form 1040, line 21) .... $ ________
11. Deductible expenses (excess of line 9 over line 5. Include on Form 1040, line 24) .... $ 3450

Expenses Deductible as Itemized Deductions

NOTE: These expenses include deductible Congressional expenses, other than for travel, which were not reimbursed by Congressional allowances. They include those expenses which may have been reimbursed from outside sources, such as contributed funds. Specify the kind of expense and total all expenses of the same kind. If additional space is needed, list the expenses on a separate sheet. Write "See separate sheet attached" on line 12 and enter the total amount on line 13.

12. DUES ADVERTISING & MISC. .... $ ________
EXPENSES .... $ 831.

13. Total expenses deductible. Include on line 26, Schedule A (Form 1040) .... $ 831

MISCELLANEOUS SCHEDULE

NAME GERALDINE A. ZACCARO YEAR ENDED 12/31/82

TRAVEL EXPENSES				
PHILA PA MIDTERM CONFERENCE			159	-
SCHENECTADY, N.Y. - WOMENS CONFERENCE				
PANEL ON REAGONOMICS			155	-
HUNT COMMISSION - TRAVEL EXP			187	-
TOTAL			501	-

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return 1983 EXHIBIT NO. 13

or other tax year beginning 1983 ending 19 OMB No. 1545-0074

Your first name and initial (if joint return, also give spouse's name and initial) GERALDINE A	Last name (ZACCARO) FERRARO	Your social security number 100-28-1600
Present home address 22 DEEPDANE RD		Spouse's social security no. 061-30-8534
City, town or post office, State and ZIP code FOREST HILLS NY 11375		Your occupation CONGRESS US Spouse's occupation

Presidential Election Campaign: Do you want $1 to go to this fund? ☒ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☐ Yes ☐ No
Note: Checking "Yes" will not increase your tax or reduce your refund.
For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Filing Status

Check only one box.

1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Enter spouse's social security number above and full name here JOHN (ZACCARO) ~~FERRARO~~
4 ☐ Head of household (with qualifying person). (See page 6 of Instructions.) If the qualifying person is your unmarried child but not your dependent, write child's name here
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions.)

Exemptions

Always check the box labeled Yourself. Check other boxes if they apply.

6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1
c First names of your dependent children who lived with you
Enter number of children listed on 6c ▶

d Other dependents (1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?
ANTOINETTE	MOTHER		NO	YES

Enter number of other dependents ▶ 1
e Total number of exemptions claimed
Add numbers entered in boxes above ▶ 2

Income

Please attach Copy B of your Forms W-2, W-2G, and W-2P here.

If you do not have a W-2, see page 5 of Instructions.

Please attach check or money order here.

7 Wages, salaries, tips, etc. SEE STATEMENT 1		7	69,369.
8 Interest income (also attach Schedule B if over $400 or you have any All-Savers interest)		8	230.
9a Dividends (also attach Schedule B if over $400)	9a 691.		
b Exclusion	9b 100.		
c Subtract line 9b from line 9a and enter the result		9c	591.
10 Refunds of State and local income taxes		10	
11 Alimony received		11	
12 Business income or (loss) (attach Schedule C)		12	
13 Capital gain or (loss) (attach Schedule D)		13	
14 40% capital gain distributions not reported on line 13 (See page 10 of Instructions)		14	
15 Supplemental gains or (losses) (attach Form 4797)		15	
16 Fully taxable pensions, IRA distributions, and annuities not reported on line 17		16	
17a Other pensions and annuities, including rollovers. Total received	17a		
b Taxable amount, if any, from worksheet on page 10 of Instructions		17b	
18 Rents, royalties, partnerships, estates, trusts, etc. (attach Schedule E)		18	-4,082.
19 Farm income or (loss) (attach Schedule F)		19	
20a Unemployment compensation (insurance). Total received	20a		
b Taxable amount, if any, from worksheet on page 11 of Instructions		20b	
21 Other income SEE STATEMENT 4		21	5,150.
22 Total income. Add amounts in column for lines 7 through 21		22	71,258.

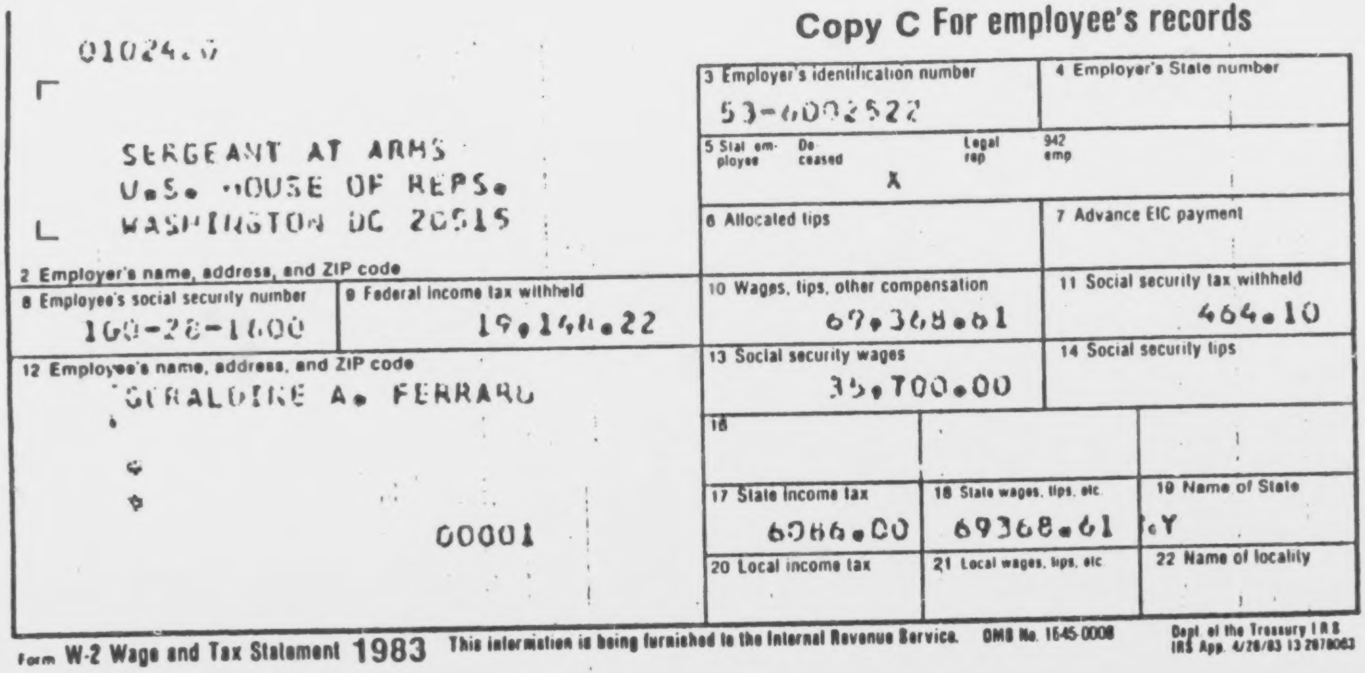
Adjustments to Income

(See Instructions on page 11)

23 Moving expense (attach Form 3903 or 3903F)	23		
24 Employee business expenses	24 2,846.		
25a IRA deduction, from the worksheet on page 12	25a 2,000.		
b Enter here IRA payments you made in 1984 that are included in line 25a above ▶			
26 Payments to a Keogh (H.R. 10) retirement plan	26		
27 Penalty on early withdrawal of savings	27		
28 Alimony paid	28		
29 Deduction for married couple when both work (attach Schedule W)	29		
30 Disability income exclusion (attach Form 2440)	30		
31 Total adjustments. Add lines 23 through 30		31	4,846.

Adjusted Gross Income

32 Adjusted gross income. Subtract line 31 from line 22. If this line is less than $10,000, see "Earned Income Credit" (line 59) on page 16 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions	32	66,412.



Copy C For employee's records

01024.0

SERGEANT AT ARMS
U.S. HOUSE OF REPS.
WASHINGTON DC 20515

2 Employer's name, address, and ZIP code

3 Employer's identification number: 53-6002522

4 Employer's State number:

5 Stat employee ☐ Deceased ☐ Legal rep ☐ 942 emp ☐ X

6 Allocated tips:

7 Advance EIC payment:

8 Employee's social security number: 160-28-1600

9 Federal income tax withheld: 19,144.22

10 Wages, tips, other compensation: 69,368.61

11 Social security tax withheld: 464.10

12 Employee's name, address, and ZIP code

GERALDINE A. FERRARO

00001

13 Social security wages: 35,700.00

14 Social security tips:

16

17 State income tax: 6086.00

18 State wages, tips, etc.: 69368.61

19 Name of State: NY

20 Local income tax:

21 Local wages, tips, etc.:

22 Name of locality:

Form **W-2 Wage and Tax Statement 1983** This information is being furnished to the Internal Revenue Service. OMB No. 1545-0008 Dept. of the Treasury I.R.S. IRS App. 4/28/83 13 2878063

[illegible]

Form 1040 (1983) Page 2

Tax Computation (See Instructions on page 13)	33	Amount from line 32 (adjusted gross income)			33	66,412.
	34a	If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 28 Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 13 of the instructions. Also see page 13 of the instructions if: ● You are married filing a separate return and your spouse itemizes deductions, OR ● You file Form 4563, OR ● You are a dual-status alien			34a	9,093.
	34b	If you do not itemize deductions on Schedule A (Form 1040), complete the worksheet on page 14. Then enter the allowable part of your charitable contributions here			34b	
	35	Subtract line 34a or 34b, whichever applies, from line 33			35	57,319.
	36	Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 6e			36	2,000.
	37	Taxable income. Subtract line 36 from line 35			37	55,319.
	38	Tax. Enter tax here and check if from ☐ Tax Table, ☒ Tax Rate Schedule X, Y, or Z, or ☐ Schedule G			38	19,661.
	39	Additional Taxes. (See page 14 of instructions.) Enter here and check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, or ☐ section 72 penalty taxes			39	
	40	Total. Add lines 38 and 39 ▶			40	19,661.
Credits (See Instructions on page 14)	41	Credit for the elderly *(attach Schedules R & RP)*	41			
	42	Foreign tax credit *(attach Form 1116)*	42			
	43	Investment credit *(attach Form 3468)*	43			
	44	Partial credit for political contributions	44	50.		
	45	Credit for child and dependent care expenses *(attach Form 2441)*	45			
	46	Jobs credit *(attach Form 5884)*	46			
	47	Residential energy credit *(attach Form 5695)*	47			
	48	Total credits. Add lines 41 through 47			48	50.
	49	Balance. Subtract line 48 from line 40 and enter difference (but not less than zero) ▶			49	19,611.
Other Taxes (Including Advance EIC Payments)	50	Self-employment tax *(attach Schedule SE)*			50	
	51	Alternative minimum tax *(attach Form 6251)*			51	
	52	Tax from recapture of investment credit *(attach Form 4255)*			52	
	53	Social security tax on tip income not reported to employer *(attach Form 4137)*			53	
	54	Uncollected employee social security tax and RRTA tax on tips *(from Form W-2)*			54	
	55	Tax on an IRA *(attach Form 5329)*			55	
06	56	Total tax. Add lines 49 through 55 ▶			56	19,611.
Payments Attach Forms W-2, W-2G, and W-2P to front	57	Federal income tax withheld	57	19,148.		
	58	1983 estimated tax payments and amount applied from 1982 return	58	3,360.		
	59	Earned income credit. If line 33 is under $10,000, see page 16	59			
	60	Amount paid with Form 4868	60			
	61	Excess social security tax and RRTA tax withheld (two or more employers)	61			
	62	Credit for Federal tax on special fuels and oils *(attach Form 4136)*	62			
	63	Regulated Investment Company credit *(attach Form 2439)*	63			
	64	Total payments. Add lines 57 through 63 ▶			64	22,508.
Refund or Amount You Owe	65	If line 64 is larger than line 56, enter amount OVERPAID ▶			65	2,897.
	66	Amount of line 65 to be REFUNDED TO YOU ▶			66	2,417.
	67	Amount of line 65 to be applied to your 1984 estimated tax ▶	67	480.		
	68	If line 56 is larger than line 64, enter AMOUNT YOU OWE. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number and "1983 Form 1040" on it. ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached.)			68	$

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Please Sign Here

Your signature ▶ Date ▶ Spouse's signature (if filing jointly, BOTH must sign)

Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed ☒	Preparer's social security no. 062-07-4105
	Firm's name (or yours, if self-employed) and address ▶	SELGER & BRESSMAN		E.I. No. 11-2408598
		60 E 42ND STREET		
		NEW YORK, N.Y.		ZIP code 10017

85-2296E53

GERALDINE A (ZACCARO) FERRARO

STATEMENT OF CONGRESSIONAL REIMBURSEMENTS AND EXPENSES

NOTE: Before preparing this statement, please read the accompanying information. Some reimbursements are not includible in gross income and other reimbursements, in some circumstances, need not be reported on your return. Do not include amounts received from non-Congressional sources. You may use Form 2106 in place of this statement (attached).

Congressional Reimbursements for Expenses

1.	Reimbursement at the rate of 20 cents a mile for travel going to and returning from each regular session (2 USC sec. 43)	$154
2.	Reimbursement for other travel expenses	
3.	Reimbursement for other deductible expenses (if any)	
4.	Reimbursement for nondeductible expenses (if any)	
5.	Total reportable reimbursements	$154

Expenses Deductible as Adjustments to Income

6.	Travel expenses: Living expenses in the Washington, D.C. area. The maximum amount allowable is $3,000 (Internal Revenue Code 26 USC 162(a))	$3000.	
7.	Travel expenses: Other (attach detailed statement)		
8.	Other expenses (limited to amount on line 3)		
9.	Total expenses		$3000
10.	Excess reimbursement (excess of line 5 over line 9. Include on Form 1040, line 21)		$
11.	Deductible expenses (excess of line 9 over line 5. Include on Form 1040, line 24)		$2846

Expenses Deductible as Itemized Deductions

NOTE: These expenses include deductible Congressional expenses, other than for travel, which were not reimbursed by Congressional allowances. They include those expenses which may have been reimbursed from outside sources, such as contributed funds. Specify the kind of expense and total all expenses of the same kind. If additional space is needed, list the expenses on a separate sheet. Write "See separate sheet attached" on line 12 and enter the total amount on line 13.

12.	DUES	$155.
		$
13.	Total expenses deductible. Include on line 26, Schedule A (Form 1040)	$155.

(ZACCARO) FERRARO 389 3932-92 05

Schedules A & B (Form 1040)
Department of the Treasury
Internal Revenue Service

Schedule A – Itemized Deductions

▶ Attach to Form 1040. ▶ See instructions for Schedules A and B (Form 1040).

OMB No. 1545-0074

1983

Name(s) as shown on Form 1040
GERALDINE A (ZACCARO) FERRARO

Your social security number
100-28-1600

Medical and Dental Expenses (Do not include expenses reimbursed or paid by others.) (See page 18 of Instructions.)	1 Medicines and drugs	1			
	2 Write 1% of Form 1040, line 33	2			
	3 Subtract line 2 from line 1. If line 2 is more than line 1, write zero	3			
	4 Other medical and dental expenses:				
	a Doctors, dentists, nurses, hospitals, insurance premiums you paid for medical and dental care, etc.	4a			
	b Transportation	4b			
	c Other (list – include hearing aids, dentures, eyeglasses, etc.) ▶	4c			
	5 Add lines 3 through 4c	5			
	6 Multiply amount on Form 1040, line 33, by 5% (.05)	6			
	7 Subtract line 6 from line 5. If line 6 is more than line 5, write zero			▶ 7	
Taxes (See page 19 of Instructions.)	8 State and local income	8	9,299.		
	9 Real estate	9			
	10 a General sales (see sales tax tables)	10a	729.		
	b General sales on motor vehicles	10b			
	11 Other (list – include personal property) ▶	11			
	12 Add lines 8 through 11. Write your answer here			▶ 12	10,028.
Interest Expense (See page 20 of Instructions.)	13 a Home mortgage interest paid to financial institutions	13a			
	b Home mortgage interest paid to individuals (show that person's name and address) ▶	13b			
	14 Credit cards and charge accounts	14			
	15 Other (list) ▶	15			
	16 Add lines 13a through 15. Write your answer here			▶ 16	
Contributions (See page 20 of Instructions.)	17 a Cash contributions. (If you gave $3,000 or more to any one organization, report those contributions on line 17b.)	17a	610.		
	b Cash contributions totaling $3,000 or more to any one organization. (Show to whom you gave and how much you gave.) ▶	17b			
	18 Other than cash (attach required statement)	18			
	19 Carryover from prior years	19			
	20 Add lines 17a through 19. Write your answer here			▶ 20	610.
Casualty and Theft Losses	21 Total casualty or theft loss(es) (attach Form 4684)			▶ 21	
Miscellaneous Deductions (See page 21 of Instructions.)	22 Union and professional dues	22			
	23 Tax return preparation fee	23			
	24 Other (list) ▶ PROFESSIONAL DUES	24	155.		
	25 Add lines 22 through 24. Write your answer here			▶ 25	155.
Summary of Itemized Deductions (See page 21 of Instructions.)	26 Add lines 7, 12, 16, 20, 21 and 25			26	10,793.
	27 If you checked Form 1040 Filing Status box 2 or 5, write $3,400 Filing Status box 1 or 4, write $2,300 Filing Status box 3, write $1,700			27	1,700.
	28 Subtract line 27 from line 26. Write your answer here and on Form 1040, line 34a. (If line 27 is more than line 26, see the Instructions for line 28 on page 21.)			▶ 28	9,093.

Schedules A & B (Form 1040) 1983

Schedule B—Interest and Dividend Income

08 OMB No. 1545-0074 Page 2

Name(s) as shown on Form 1040
GERALDINE A (ZACCARO) FERRARO

Your social security number
100-28-1600

Part I Interest Income (See pages 9 and 21 of instructions.) Also complete Part III.

If you received more than $400 in interest or you received any interest from an All-Savers Certificate, you must complete Part I and list ALL interest received. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 22.

Interest income other than interest from All-Savers Certificates		Amount
1 Interest income from seller-financed mortgages. (See instructions and show name of payer.)	1	
2 Other interest income (list name of payer) ▶	2	
3 Add lines 1 and 2	3	

Interest from All-Savers Certificates (ASCs). (See page 22.)		Amount
4	4	
5 Add amounts on line 4	5	
6 Write the amount of your ASC exclusion from the worksheet on page 22 of instructions	6	
7 Subtract line 6 from line 5	7	
8 Add lines 3 and 7. Write your answer here and on Form 1040, line 8 ▶	8	

Part II Dividend Income (See pages 9 and 22 of instructions.) Also complete Part III.

If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, or you are electing to exclude qualified reinvested dividends from a public utility, complete Part II. If you received dividends as a nominee for another, see page 22.

Name of payer		Amount
9 DREYFUS FUND	9	472.
RESERVE FUND		219.
10 Add amounts on line 9	10	691.
11 Capital gain distributions. Enter here and on line 15, Schedule D.*	11	
12 Nontaxable distributions. (See Instructions for adjustment to basis)	12	
13 Exclusion of qualified reinvested dividends from a public utility. (See page 22 of instructions.)	13	
14 Add lines 11, 12, and 13	14	
15 Subtract line 14 from line 10. Write your answer here and on Form 1040, line 9a ▶	15	691.

*If you received capital gain distributions for the year and you do not need Schedule D to report any other gains or losses, do not file that schedule. Instead, enter 40% of your capital gain distributions on Form 1040, line 14.

Part III Foreign Accounts and Foreign Trusts (See page 22 of instructions.)

If you received more than $400 of interest or dividends, OR if you had a foreign account or were a grantor of, or a tranferor to, a foreign trust, you must answer both questions in Part III.	Yes	No
16 At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country? (See page 23 of the instructions for exceptions and filing requirements for Form 90-22.1) If "Yes," write the name of the foreign country ▶		X
17 Were you the grantor of or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes", you may have to file Forms 3520, 3520-A, or 926		X

55-2356813

389 3932-92 07

SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

Supplemental Income Schedule

(From rents and royalties, partnerships, estates, and trusts, etc.)
▶ Attach to Form 1040 ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074
1983
12

Name(s) as shown on Form 1040
GERALDINE A (ZACCARO) FERRARO

Your social security number
100-28-1600

PART I. - Rent and Royalty Income or Loss

1 Are any of the expenses listed below for a vacation home or other recreational unit (see instructions)? ___ Yes ___ No

2 If you checked "Yes" to question 1, did you or a member of your family occupy the vacation home or other recreational unit for more than the greater of 14 days or 10% of the total days rented at fair rental value during the tax year? ___ Yes ___ No

Property Codes	Kind and Location of Property
A	
B	
C	

Rental and Royalty Income		Properties A	Properties B	Properties C	Totals (Add columns A, B, and C)
3 a Rents received					3
b Royalties received					
Rental and Royalty Expenses					
4 Advertising	4				
5 Auto and travel	5				
6 Cleaning and maintenance	6				
7 Commissions	7				
8 Insurance	8				
9 Interest	9				
10 Legal and other professional fees	10				
11 Repairs	11				
12 Supplies	12				
13 Taxes (Do not include Windfall Profit Tax here. See Part III, line 37.)	13				
14 Utilities	14				
15 Wages and salaries	15				
16 Other (list) ▶					
17 Total expenses other than depreciation and depletion. Add lines 4 through 16	17				17
18 Depreciation expense or depletion	18				18
19 Total. Add lines 17 and 18	19				
20 Income or (loss) from rental or royalty properties. Subtract line 19 from line 3	20				

21 Add properties with profits on line 20, and write the total profits here 21

22 Add properties with losses on line 20, and write the total (losses) here 22

23 Combine amounts on lines 21 and 22, and write the net profit or (loss) here 23

24 Net farm rental profit or (loss) from Form 4835, line 49 24

25 Total rental or royalty income or (loss). Combine amounts on lines 23 and 24, and write the total here. If Parts II, III, and IV on page 2 do not apply to you, write the amount from line 25 on Form 1040, line 18. Otherwise, include the amount in line 39 on page 2 of Schedule E 25

55-2396853

Schedule E (Form 1040) 1983

(ZACCARO) FERRARO 309 3932-92 06

Schedule E (Form 1040) 1983 12 (

Page 2

Name(s) as shown on Form 1040 GERALDINE A (ZACCARO) FERRARO	Your social security number 100-28-1600

PART II. - Income or Losses from Partnerships, Estates or Trusts, or S Corporations

If you report a loss below, and have amounts invested in that activity for which you are not at risk, you may have to file Form 6198. See instructions

	(a) Name	(b) Check if foreign partnership	(c) Employer identification number	(d) Net loss (see instructions for at risk limitations)	(e) Net income
Partnerships					
	26 Add amounts in columns (d) and (e) and write the total(s) here			26	
	27 Combine amounts in columns (d) and (e), line 26, and write the net income or (loss)				27
	28 Deduction for section 179 property (from Form 1065, Schedule K-1) (See instructions for limitations.)				28
	29 Total partnership income or (loss). Combine amounts on lines 27 and 28. Write the total here and include in line 39 below				29
Estates or Trusts					
	30 Add amounts in columns (d) and (e) and write the total(s) here			30	
	31 Total estate or trust income or (loss). Combine amounts in columns (d) and (e), line 30. Write the total here and include in line 39 below				31
S Corporations	SEE STATEMENT 2			4,082.	
	32 Add amounts in columns (d) and (e) and write the total(s) here			32 -4,082.	
	33 Combine amounts in columns (d) and (e), line 32, and write the net income or (loss)				33 -4,082.
	34 Deduction for section 179 property (from Form 1120S, Schedule K-1) (See instructions for limitations.)				34
	35 Total S corporation income or (loss). Combine amounts on lines 33 and 34. Write the total here and include in line 39 below				35 -4,082.

PART III. - Windfall Profit Tax Summary

36 Windfall profit tax credit or refund received in 1983 (see instructions)	36	
37 Windfall profit tax withheld in 1983 (see instructions)	37	
38 Combine amounts on lines 36 and 37. Write the total here and include in line 39 below	38	

PART IV. - Summary

39 TOTAL income or (loss). Combine lines 25, 29, 31, 35, and 38. Write total here and on Form 1040, line 18 ▶		39	-4,082.
40 Farmers and fishermen: Write your share of GROSS FARMING AND FISHING INCOME applicable to Parts I and II	40		

PART V. - Depreciation Claimed in Part I.

Complete only if property was placed in service before January 1, 1981. For more space, use Form 4562. If you placed any property in service after December 31, 1980, use Form 4562 for all property; do NOT complete Part V.

	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in prior years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
Property A							
	Totals (Property A)						
Property B							
	Totals (Property B)						
Property C							
	Totals (Property C)						

55-2356E53

(ZACCARO) FERRARO 389 44 3932-92 09

Form **2106**
Department of the Treasury
Internal Revenue Service

Employee Business Expenses

(Please use Form 3903 to figure moving expense deduction.)
▶ Attach to Form 1040.

OMB No. 1545-0139
1983
54

Your name GERALDINE A (ZACCARD) FERRARD	Social security number 100-28-1600	Occupation in which expenses were incurred CONGRESSWOMAN
Employer's name	Employer's address	

PART I. - Employee Business Expenses Deductible in Figuring Adjusted Gross Income on Form 1040, Line 32

1 Reimbursed and unreimbursed fares for airplane, boat, bus, taxicab, train, etc.	1	
2 Reimbursed and unreimbursed meal, lodging, and other expenses while away from your tax home	2	
3 Reimbursed and unreimbursed car expenses from Part II	3	
4 Reimbursed and unreimbursed outside salesperson's expenses other than those shown on lines 1 through 3. Caution: *Do not use this line unless you are an outside salesperson (see instructions)*	4	
5 Reimbursed expenses other than those shown on lines 1 through 3 (see instructions) SEE STATEMENT 3	5	2,846.
6 Add lines 1 through 5	6	2,846.
7 Employer's payments for these expenses only if not included on Form W-2	7	
8 If line 6 is more than line 7, subtract line 7 from line 6. Enter here and on Form 1040, line 24	8	2,846.
9 If line 7 is more than line 6, subtract line 6 from line 7. Enter here and on Form 1040, line 7	9	

PART II. - Car Expenses (Use either your actual expenses or the mileage rate.)

		Car 1	Car 2	Car 3
A. Number of months you used car for business during 1983		months	months	months
B. Total mileage for months on line A		miles	miles	miles
C. Business part of line B mileage		miles	miles	miles

Actual Expenses (Include expenses on lines 1 and 2 only for the months shown on Line A, above.)

1 Gasoline, oil, lubrication, etc.	1			
2 Other	2			
3 Total (add lines 1 and 2)	3			
4 Divide line C by line B, above	4	%	%	%
5 Multiply line 3 by line 4	5			
6 Depreciation (see instructions)	6			
7 Section 179 deduction (see instructions)	7			
8 Business parking fees and tolls	8			
9 Total (add lines 5 through 8). Enter here and in Part I, line 3	9			

Mileage Rate

10 Enter the smaller of (a) 15,000 miles or (b) the total mileage (Car 1 + Car 2 + Car 3) from line C, above	10	miles
11 Multiply line 10 by 20½¢ (11¢ if applicable, see instructions)	11	
12 Enter the total mileage, if any (Car 1 + Car 2 + Car 3) from line C that is over 15,000 miles	12	miles
13 Multiply line 12 by 11¢ and enter here	13	
14 Business part of car interest, parking fees, tolls, and State and local taxes (except gasoline tax)	14	
15 Total (add lines 11, 13, and 14). Enter here and in Part I, line 3	15	

PART III. - Information About Educational Expenses Shown in Part I or on Schedule A (Form 1040)

1 Did you need this education to meet the basic requirements for your business or profession? ☐ Yes ☐ No

2 Will this study program qualify you for a new business or profession? ☐ Yes ☐ No

Note: *If your answer to question 1 or 2 is "Yes," stop here. You cannot deduct these expenses, even if you do not intend to change your business or profession.*

3 If "No," list the courses you took and their relationship to your business or profession ▶

1983 FEDERAL INCOME TAX STATEMENTS PAGE 1

STATEMENT 1 - WAGES, SALARIES, TIPS, ETC.

EMPLOYERS NAME AND ADDRESS	INCOME TAX WITHHELD	WAGES SALARIES TIPS, ETC	FICA
US HOUSE OF REPRESENTATIVES	19,148	69,369	
TOTAL TAX WITHHELD, WAGES, AND FICA	19,148	69,369	0

STATEMENT 2 - INCOME FROM S CORPORATIONS

NAME AND ADDRESS OF CORPORATION
P ZACCARO CO INC NO
13-2687158

ORDINARY INCOME	-4,082

STATEMENT 3 - OTHER EMPLOYEE BUSINESS EXPENSES DEDUCTIBLE IN FIGURING ADJUSTED GROSS INCOME - FORM 2106

OTHER EXPENSES

SCHEDULE	2,846	
TOTAL OTHER BUSINESS EXPENSES		2,846

100-28-1600 (ZACCARO) FERRARO 389 3932-92

1983 FEDERAL INCOME TAX STATEMENTS PAGE 2

STATEMENT 4 - MISCELLANEOUS INCOME

	SUBJECT TO SE TAX	OTHER TAXABLE INCOME	TOTAL TAXABLE INCOME
GROUP INSURANCE		550	550
HONORARIUMS		4,600	4,600
TOTAL MISCELLANEOUS INCOME	0	5,150	5,150

```
100-28-1600     (ZACCARO) FERRARO                    389        3932-92

  1983 FEDERAL INCOME TAX STATEMENTS
                                                                  PAGE   3
 STATEMENT  5 - INTEREST INCOME

      RIDGEWOOD SAV
      EAST RIVER                                                     87
      FED CR UNION                                                   51
                                                                     92
 TOTAL INTEREST INCOME                                       ----------
                                                                    230
                                                             ==========
```

Form **1040X** (Rev. October 1982)

Department of the Treasury—Internal Revenue Service

Amended U.S. Individual Income Tax Return

OMB No. 1545-0091

This return is for calendar year ▶ 19 83 , OR fiscal year ended ▶EXHIBIT NO. 14 , 19

Your first name and initial (if joint return, also give spouse's name and initial): GERALDINE A (ZACCARO)
Last name: FERRARO
Your social security number: 160 : [illegible] : 1260
Present home address (Number and street, including apartment number, or rural route): 22 DEVONSHIRE RD
Spouse's social security number: 061 : 30 : 2834
City, town or post office, State, and ZIP code: FOREST HILLS NY 11375
Telephone no. (optional): ( )

Enter below name and address as shown on original return (if same as above, write "Same"). If changing from separate to joint return, enter names and addresses used on original returns. (Note: You cannot change from joint to separate returns after the due date has passed.)

SAME

a. Service center where original return was filed: HOLTSVILLE NY.

b. Has original return for the year being changed been audited? . . . ☐ Yes ☒ No
If "No," have you been notified that it will be? . . . ☐ Yes ☐ No
If "Yes," identify IRS office

c. Filing status claimed. (Note: You cannot change from joint to separate returns after the due date has passed.)
On original return . . ▶ ☐ Single ☐ Married filing joint return ☒ Married filing separate return ☐ Head of Household ☐ Qualifying Widow(er)
On this return . . ▶ ☐ Single ☐ Married filing joint return ☐ Married filing separate return ☐ Head of Household ☐ Qualifying Widow(er)

Income and Deductions	A. As originally reported or as adjusted (See instructions)	B. Net change—Increase or (Decrease)—explain on page 2	C. Correct amount
1 Total income (see instructions)	71258	10,000	76258
2 Adjustments to income (see instructions)	4846		[illegible]
3 Adjusted gross income (subtract line 2 from line 1)	66412		[illegible]412
4 Deductions (see instructions)	9093		[illegible]
5 Subtract line 4 from line 3	57319		[illegible]
Note: If this return is for 1980, and you use the tax tables, do not complete lines 6 and 7. Instead, enter on line 8 the tax on the income you reported on line 5.			
6 Exemptions from page 2, line 5	2000		2000
7 Taxable income (subtract line 6 from line 5)	55319		[illegible]319
Tax Liability			
8 Tax (see instructions) (method used in column C ....)	19661		[illegible]162
9 Credits (such as residential energy credit, credit for the elderly—see instructions)	50		50
10 Subtract line 9 from line 8	19611		[illegible]112
11 Other taxes (such as self-employment tax, alternative minimum tax)			
12 Total tax liability (add line 10 and line 11)	19611		[illegible]112
Payments			
13 Federal income tax withheld and excess FICA and RRTA tax withheld	19148		19148
14 Estimated tax payments	3260		3260
15 Earned income credit			
16 Credits for Federal tax on special fuels, regulated investment company, etc.			
17 Amount paid with Form 2688 or Form 4868 (application for extension of time to file)			
18 Amount paid with original return, plus additional tax paid after it was filed			
19 Total of lines 13 through 18, column C			22508
Refund or Amount You Owe			
20 Overpayment, if any, as shown on original return (or as previously adjusted by IRS)			2897
21 Subtract line 20 from line 19 (see instructions)			19611
22 AMOUNT YOU OWE. If line 12, column C is more than line 21, enter difference. Please pay in full with this return			493
23 REFUND to be received. If line 12, column C is less than line 21, enter difference			

COPY

Please Sign Here

Under penalties of perjury, I declare that I have filed an original return and that I have examined this amended return, including accompanying schedules and statements, and to the best of my knowledge and belief this amended return is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

▶ Your signature Date ▶ 2/19/84 Spouse's signature (if filing jointly, BOTH must sign)

Paid Preparer's Use Only

Preparer's signature ▶ Jack Selcer
Date: 1/4/84
Check if self-employed ☒
Preparer's social security no.: 062 : 07 : 4105
Firm's name (or yours, if self-employed) and address ▶ SELCER & BRESKMAN CPA
60 EAST 42nd STREET
NEW YORK, N.Y. 10017
E.I. No. 11-[illegible]
ZIP code

For Paperwork Reduction Act Notice, see page 1 of separate Instructions.

BE SURE TO COMPLETE PAGE 2

Form 1040X (Rev. 10-83) Page 2

PART I.—Exemptions (See Form 1040 or Form 1040A Instructions)

Complete lines 1 through 5 in all cases. Complete lines 6 and 7 only if you claim more exemptions.

	A. Number originally reported	B. Net change	C. Corrected number
1 Exemptions-yourself and spouse, 65 or over, blind			
2 Your dependent children who lived with you			
3 Other dependents			
4 Total exemptions (add lines 1 through 3)			
5 Multiply $1,000 by the total number of exemptions claimed on line 4. Enter this amount here and, if applicable, on page 1, line 6			

6 Enter first names of your dependent children who lived with you, but were not claimed on original return:

Enter number ▶ ☐

7 Other dependents not claimed on original return:

(a) Name	(b) Relationship	(c) Number of months lived in your home	(d) Did dependent have income of $1,000 or more?	(e) Did you provide more than one-half of dependent's support?

Enter number ▶ ☐

PART II.—Explanation of Changes to Income, Deductions, and Credits

Enter the line reference from page 1 for which you are reporting a change and give the reason for each change. Attach applicable schedules.

If the change pertains to a net operating loss carryback, an investment credit carryback, a WIN credit carryback, a jobs credit carryback, or a research credit carryback . . . Check here ▶ ☐

MISCELLANEOUS INCOME

HONORARIUMS -

AMOUNT REPORTED	4600
CORRECT AMOUNT	3600
DIFFERENCE	[illegible]

PART III.—Presidential Election Campaign Fund

Checking below will not increase your tax or reduce your refund.

If you did not previously want to have $1 go to the fund but now want to . . . Check here ▶ ☐

If joint return and if spouse did not previously want to have $1 go to the fund but now wants to . . . Check here ▶ ☐

2230-03 002087

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return **1979** | EXHIBIT NO. 15

For Privacy Act Notice, see page 3 of Instructions | For the year January 1–December 31, 1979, or other tax year beginning , 1979, ending , 19

Your first name and initial (if joint return, also give spouse's name and initial) JOHN A Last name ZACCARO
Your social security number 061 30 8534
Present home address (Number and street, including apartment number, or rural route) 22 DEEPCANE RD
Spouse's social security no. 100 28 1600
City, town or post office, State and ZIP code FOREST HILLS NY 11375
Your occupation ▶ BROKER
Spouse's occupation ▶

Presidential Election Campaign Fund
Do you want $1 to go to this fund? . . . . X Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? . . ☐ Yes ☐ No
Note: Checking "Yes" will not increase your tax or reduce your refund.

Filing Status Check only one box.
1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Enter spouse's s.s. no. above and full name here ▶ GERALDINE
4 ☐ Head of household. (See page 7 of Instructions.) If qualifying person is your unmarried child, enter child's name ▶
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 7 of Instructions.)

Exemptions Always check the box labeled Yourself. Check other boxes if they apply.
6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1
c First names of your dependent children who lived with you ▶ SEE SCHEDULE-1
Enter number of children listed ▶ 3

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶
Add numbers entered in boxes above ▶ 4

7 Total number of exemptions claimed

Income Please attach Copy B of your Forms W-2 here. If you do not have a W-2, see page 5 of Instructions. Please attach check or money order here.

8	Wages, salaries, tips, etc.	8	34,104.
9	Interest income (attach Schedule B if over $400)	9	1,439.
10a	Dividends (attach Schedule B if over $400) , 10b Exclusion	▨	
c	Subtract line 10b from line 10a	10c	
11	State and local income tax refunds (does not apply unless refund is for year you itemized deductions—see page 10 of Instructions)	11	
12	Alimony received	12	
13	Business income or (loss) (attach Schedule C)	13	
14	Capital gain or (loss) (attach Schedule D)	14	730.
15	Taxable part of capital gain distributions not reported on Schedule D (see page 10 of Instructions)	15	
16	Supplemental gains or (losses) (attach Form 4797)	16	
17	Fully taxable pensions and annuities not reported on Schedule E	17	
18	Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc. (attach Schedule E)	18	1,450.
19	Farm income or (loss) (attach Schedule F)	19	
20a	Unemployment compensation. Total amount received	▨	
b	Taxable part, if any, from worksheet on page 10 of Instructions	20b	
21	Other income (state nature and source—see page 10 of Instructions) ▶ SEE SCHEDULE-4	21	54,052.
22	Total income. Add amounts in column for lines 8 through 21 ▶	22	91,775.

Adjustments to Income

23	Moving expense (attach Form 3903 or 3903F)	23			
24	Employee business expenses (attach Form 2106)	24			
25	Payments to an IRA (see page 11 of Instructions)	25	1,500.		
26	Payments to a Keogh (H.R. 10) retirement plan	26			
27	Interest penalty on early withdrawal of savings	27			
28	Alimony paid (see page 11 of Instructions)	28			
29	Disability income exclusion (attach Form 2440)	29			
30	Total adjustments. Add lines 23 through 29 ▶			30	1,500.

Adjusted Gross Income

31	Adjusted gross income. Subtract line 30 from line 22. If this line is less than $10,000, see page 2 of Instructions. If you want IRS to figure your tax, see page 4 of Instructions ▶	31	90,275.

4/6/80

Form 1040 (1979)

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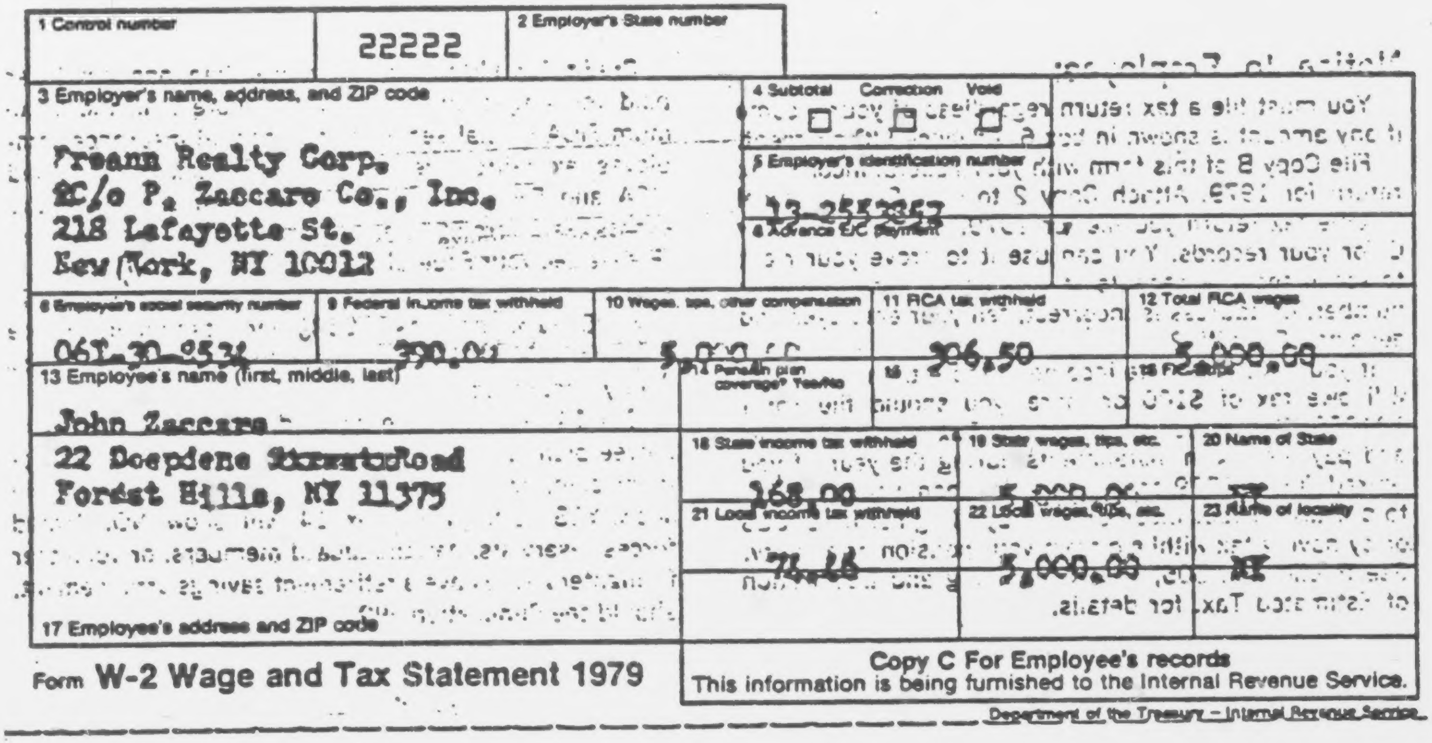


1 Control number

22222

2 Employer's State number

3 Employer's name, address, and ZIP code

Freann Realty Corp.
C/o P. Zaccaro Co., Inc.
218 Lafayette St.
New York, NY 10012

4 Subtotal ☐ Correction ☐ Void ☐

5 Employer's identification number 13-2553857

6 Advance EIC payment

8 Employee's social security number 061-30-9534

9 Federal income tax withheld 390.00

10 Wages, tips, other compensation 5,000.00

11 FICA tax withheld 306.50

12 Total FICA wages 5,000.00

13 Employee's name (first, middle, last)

John Zaccaro
22 Deepdene ~~Street~~Road
Forest Hills, NY 11375

14 Pension plan coverage? Yes/No

15 FICA tips

17 Employee's address and ZIP code

18 State income tax withheld 168.00

19 State wages, tips, etc. 5,000.00

20 Name of State NY

21 Local income tax withheld 71.16

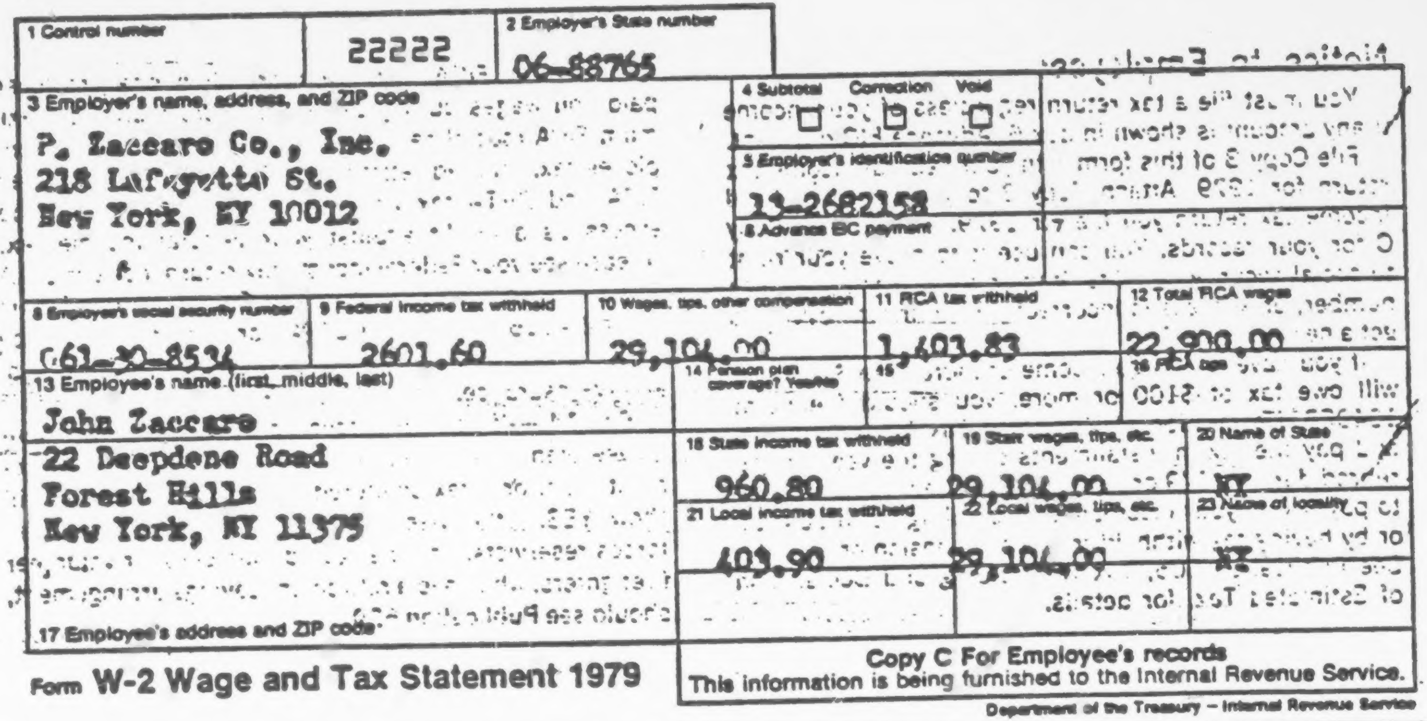
22 Local wages, tips, etc. 5,000.00

23 Name of locality NY

Form W-2 Wage and Tax Statement 1979

Copy C For Employee's records
This information is being furnished to the Internal Revenue Service.

Department of the Treasury – Internal Revenue Service



1 Control number

22222

2 Employer's State number

06-88765

3 Employer's name, address, and ZIP code

P. Zaccaro Co., Inc.
218 Lafayette St.
New York, NY 10012

4 Subtotal ☐ Correction ☐ Void ☐

5 Employer's identification number

13-2682158

6 Advance EIC payment

7

8 Employee's social security number

061-30-8534

9 Federal income tax withheld

2601.60

10 Wages, tips, other compensation

29,104.00

11 FICA tax withheld

1,403.83

12 Total FICA wages

22,900.00

13 Employee's name (first, middle, last)

John Zaccaro
22 Deepdene Road
Forest Hills
New York, NY 11375

14 Pension plan coverage? Yes/No

15

16 FICA tips

17 Employee's address and ZIP code

18 State income tax withheld

960.80

19 State wages, tips, etc.

29,104.00

20 Name of State

NY

21 Local income tax withheld

403.90

22 Local wages, tips, etc.

29,104.00

23 Name of locality

NY

Form W-2 Wage and Tax Statement 1979

Copy C For Employee's records
This information is being furnished to the Internal Revenue Service.

Department of the Treasury – Internal Revenue Service

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Form 1040 (1979) Page 2

Tax Computation (See Instructions on page 12)

32	Amount from line 31 (adjusted gross income)	32	90,275.
33	If you do not itemize deductions, enter zero If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 41	33	31,827.
	Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 12 of the Instructions. Also see page 12 of the Instructions if: • You are married filing a separate return and your spouse itemizes deductions, OR • You file Form 4563, OR • You are a dual-status alien.		
34	Subtract line 33 from line 32. Use the amount on line 34 to find your tax from the Tax Tables, or to figure your tax on Schedule TC, Part I Use Schedule TC, Part I, and the Tax Rate Schedules ONLY if: • Line 34 is more than $20,000 ($40,000 if you checked Filing Status Box 2 or 5), OR • You have more exemptions than are shown in the Tax Table for your filing status, OR • You use Schedule G or Form 4726 to figure your tax. Otherwise, you MUST use the Tax Tables to find your tax.	34	58,448.
35	Tax. Enter tax here and check if from ☐ Tax Tables or ☒ Schedule TC	35	21,978.
36	Additional taxes. check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, ☐ Form 5405, or ☐ Section 72(m)(5) penalty tax (See page 12 of Instructions.)	36	
37	Total. Add lines 35 and 36 ▶	37	21,978.

Credits

38	Credit for contributions to candidates for public office	38	50.		
39	Credit for the elderly (attach Schedules R&RP)	39			
40	Credit for child and dependent care expenses (attach Form 2441)	40			
41	Investment credit (attach Form 3468)	41			
42	Foreign tax credit (attach Form 1116)	42			
43	Work incentive (WIN) credit (attach Form 4874)	43			
44	Jobs credit (attach Form 5884)	44			
45	Residential energy credits (attach Form 5695)	45	300.		
46	Total credits. Add lines 38 through 45			46	350.
47	Balance. Subtract line 46 from line 37 and enter difference (but not less than zero) ▶			47	21,628.

Other Taxes (Including Advance EIC Payments)

48	Self-employment tax (attach Schedule SE)	48	
49a	Minimum tax. Attach Form 4625 and check here ▶ ☐	49a	
49b	Alternative minimum tax. Attach Form 6251 and check here ▶ ☐	49b	
50	Tax from recomputing prior-year investment credit (attach Form 4255)	50	
51a	Social security (FICA) tax on tip income not reported to employer (attach Form 4137)	51a	
51b	Uncollected employee FICA and RRTA tax on tips (from Form W-2)	51b	
52	Tax on an IRA (attach Form 5329)	52	
53	Advance earned income credit payments received (from Form W-2)	53	
54	Total. Add lines 47 through 53 ▶	54	21,628.

Payments

Attach Forms W-2, W-2G, and W-2P to front.

55	Total Federal income tax withheld	55	2,992.		
56	1979 estimated tax payments and credit from 1978 return	56	18,000.		
57	Earned income credit. If line 32 is under $10,000, see page 2 of Instructions	57			
58	Amount paid with Form 4868	58			
59	Excess FICA and RRTA tax withheld (two or more employers)	59	307.		
60	Credit for Federal tax on special fuels and oils (attach Form 4136 or 4136-T)	60			
61	Regulated Investment Company credit (attach Form 2439)	61			
62	Total. Add lines 55 through 61 ▶			62	21,299.

Refund or Balance Due

63	If line 62 is larger than line 54, enter amount OVERPAID ▶			63	
64	Amount of line 63 to be REFUNDED TO YOU ▶			64	
65	Amount of line 63 to be credited on 1980 estimated tax ▶	65			
66	If line 54 is larger than line 62, enter BALANCE DUE. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number on check or money order ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached. ▶ $			66	329.

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date ▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information

Preparer's signature and date ▶		Check if self-employed ▶ ☒	Preparer's social security no. 062 07 4105
Firm's name (or yours, if self-employed) and address ▶	SELGER & BRESSMAN CPA 60 E 42ND STREET NEW YORK NY		E.I. No. ▶11-2408598 ZIP code ▶10017

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Schedules A&B—Itemized Deductions AND Interest and Dividend Income

(Form 1040)
Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

1979
08 ☐

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061 30 8534

Schedule A—Itemized Deductions

Medical and Dental Expenses (not paid or reimbursed by insurance or otherwise) (See page 16 of Instructions.)

1 One-half (but not more than $150) of insurance premiums you paid for medical care. (Be sure to include in line 10 below.) ▶	150.
2 Medicine and drugs	
3 Enter 1% of Form 1040, line 31	903.
4 Subtract line 3 from line 2. If line 3 is more than line 2, enter zero	0.
5 Balance of insurance premiums for medical care not entered on line 1	150.
6 Other medical and dental expenses:	
a Doctors, dentists, nurses, etc.	
b Hospitals	
c Other (itemize—include hearing aids, dentures, eyeglasses, transportation, etc.) ▶	
7 Total (add lines 4 through 6c)	150.
8 Enter 3% of Form 1040, line 31	2,708.
9 Subtract line 8 from line 7. If line 8 is more than line 7, enter zero	0.
10 Total medical and dental expenses (add lines 1 and 9). Enter here and on line 33. ▶	150.

Taxes (See page 16 of Instructions.)
Note: Gasoline taxes are no longer deductible.

11 State and local income	22,433.
12 Real estate	5,084.
13 General sales (see sales tax tables)	1,006.
14 Personal property	
15 Other (itemize) ▶	
16 Total taxes (add lines 11 through 15). Enter here and on line 34. ▶	28,523.

Interest Expense (See page 17 of Instructions.)

17 Home mortgage	1,353.
18 Credit and charge cards	
19 Other (itemize) ▶ SEE SCHEDULE-11	2,565.
20 Total interest expense (add lines 17 through 19). Enter here and on line 35 ▶	3,918.

Contributions (See page 17 of Instructions.)

21 a Cash contributions for which you have receipts, cancelled checks or other written evidence	912.
b Other cash contributions (show to whom you gave and how much you gave) ▶	
22 Other than cash (see page 17 of instructions for required statement)	
23 Carryover from prior years	
24 Total contributions (add lines 21a through 23). Enter here and on line 36. ▶	912.

Casualty or Theft Loss(es) (See page 18 of Instructions.)

25 Loss before insurance reimbursement	
26 Insurance reimbursement	
27 Subtract line 26 from line 25. If line 26 is more than line 25, enter zero	
28 Enter $100 or amount on line 27, whichever is smaller	
29 Total casualty or theft loss(es) (subtract line 28 from line 27). Enter here and on line 37. ▶	

Miscellaneous Deductions (See page 18 of Instructions.)

30 Union dues	
31 Other (itemize) ▶ SEE SCHEDULE-12	24.
32 Total miscellaneous deductions (add lines 30 and 31). Enter here and on line 38 ▶	24.

Summary of Itemized Deductions (See page 18 of Instructions.)

A

33 Total medical and dental—from line 10	150.
34 Total taxes—from line 16	28,523.
35 Total interest—from line 20	3,918.
36 Total contributions—from line 24	912.
37 Total casualty or theft loss(es)—from line 29	
38 Total miscellaneous—from line 32	24.
39 Add lines 33 through 38 ▶	33,527.
40 If you checked Form 1040, Filing Status box: 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700	1,700.
41 Subtract line 40 from line 39. Enter here and on Form 1040, line 33. (If line 40 is more than line 39, see the instructions for line 41 on page 18.) ▶	31,827.

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Schedules A&B (Form 1040) 1979

Schedule B—Interest and Dividend Income

Page 2

Name(s) as shown on Form 1040

JOHN A ZACCARO

Your social security number

061 30 8934

Part I Interest Income

1 If you received more than $400 in interest, complete Part I and Part III. Please see page 9 of the instructions to find out what interest to report. Then answer the questions in Part III, below. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 10 of the instructions.

Name of payer	Amount
SEE SCHEDULE 6	
2 Total interest income. Enter here and on Form 1040, line 9	1,439.

Part II Dividend Income

3 If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, complete Part II and Part III. Please see page 9 of the instructions. Write (H), (W), or (J), for stock held by husband, wife, or jointly. Then answer the questions in Part III, below. If you received dividends as a nominee for another, please see page 10 of the instructions.

Name of payer	Amount
4 Total of line 3	
5 Capital gain distributions. Enter here and on the appropriate line(s) on Schedule D. See Note below	
6 Nontaxable distributions	
7 Total (add lines 5 and 6)	
8 Dividends before exclusion (subtract line 7 from line 4). Enter here and on Form 1040, line 10a	

Note: *If your capital gain distributions for the year do not include any gains before Nov. 1, 1978, and you do not need Schedule D to report any gains or losses, do not file that schedule. Instead, enter the taxable part of your capital gain distributions on Form 1040, line* 15

Part III Foreign Accounts and Foreign Trusts

If you are required to list interest in Part I or dividends in Part II, OR if you had a foreign account or were a grantor of, or a transferor to a foreign trust, you must answer both questions in Part III. Please see page 10 of the instructions.

	Yes	No
A At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country (see page 10 of instructions)?		X
B Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A, or 926.		X

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SCHEDULE D
(Form 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)
▶ Attach to Form 1040. ▶ See instructions for Schedule D (Form 1040.)

1979
12 ☐

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 001 30 8934

Caution: Columns f and g are not the same as last year. Most other lines have also been changed.

Part I — Short-term Capital Gains and Losses—Assets Held One Year or Less

D

a. Kind of property and description (Example, 100 shares 7% preferred of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 23)	f. LOSS If column (e) is more than (d) subtract (d) from (e)	g. GAIN If column (d) is more than (e) subtract (e) from (d)
1						

2 Enter your share of net short-term gain or (loss) from transactions entered into by partnerships and fiduciaries after 10/31/78	2			
3 Add lines 1 and 2 in column f and column g	3			
4 Combine line 3, column f and line 3, column g and enter the net gain or (loss)			4	
5 Short-term capital loss carryover from years beginning after 1969			5	( )
Note: *If there is an entry on this line and line 7 or 19, see instructions for lines 7 and 19.*				
6 Net gain or (loss), combine lines 4 and 5			6	
7 Enter your share of net short-term gain or (loss) from transactions entered into by partnerships and fiduciaries before 11/1/78			7	
8 Net short-term gain or (loss), combine lines 6 and 7			8	

Part II — Long-term Capital Gains and Losses—Assets Held More Than One Year

9						
		SEE ATTACHED				1,826.

10 Enter your share of net long-term gain or (loss) from transactions entered into by partnerships and fiduciaries after 10/31/78	10			
11 Add lines 9 and 10 in column f and column g	11			1,826.
12 Combine line 11, column f and line 11, column g and enter the net gain or (loss)			12	1,826.
13 Capital gain distributions from transactions entered into after 10/31/78			13	
14 Enter gain, if applicable, from Form 4797, line 6(a)(1) from transactions entered into after 10/31/78			14	
15 Enter your share of net long-term gain from transactions entered into by small business corporations (Subchapter S) after 10/31/78			15	
16 Combine lines 12 through 15			16	1,826.
17 Long-term capital loss carryover from years beginning after 1969			17	( )
Note: *If there is an entry on this line and line 7 or 19, see instructions for lines 7 and 19.*				
18 Net gain or (loss), combine lines 16 and 17			18	1,826.
19 Enter your share of capital gain distributions and net long-term gain or (loss) from transactions entered into by partnerships, fiduciaries, small business corporations, real estate investment trusts, and regulated investment companies before 11/1/78			19	
20 Net long-term gain or (loss), combine lines 18 and 19			20	1,826.

Note: *If you have capital loss carryovers from years beginning before 1970, do not complete Parts III or V. See Form 4798 instead.*

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Part III Summary of Parts I and II

21 Combine lines 8 and 20, and enter the net gain or (loss) here	21	1,826.
Note: *Do not complete line 22 if lines 20 and 21 show a gain, and there is a net gain on line 7 or 19. Instead, complete Part IV.*		
22 If line 21 shows a gain—		
a Enter 60% of line 20 or 60% of line 21, whichever is smaller. Enter zero if there is a loss or no entry on line 20 *	22a	1,096.
b Subtract line 22a from line 21. Enter here and on Form 1040, line 14	22b	730.
23 If line 21 shows a loss—		
a Enter one of the following amounts: (i) If line 8 is zero or a net gain, enter 50% of line 21, (ii) If line 20 is zero or a net gain, enter line 21; or, (iii) If line 8 and line 20 are net losses, enter amount on line 8 added to 50% of the amount on line 20	23a	
b Enter here and enter as a loss on Form 1040, line 14, the smallest of: (i) The amount on line 23a, (ii) $3,000 ($1,500 if married and filing a separate return); or, (iii) Taxable income, as adjusted	23b	
Note: *If the loss on line 23a is more than the loss shown on line 23b, complete Part V to determine post-1969 capital loss carryovers from 1979 to 1980.*		

Part IV Computation of Capital Gain Deduction for Sales or Exchanges Before 11/1/78

24 Enter the smaller of line 20 or line 21 (or Form 4798, lines 8 and 9)	24	
25 If line 18 (or Form 4798, line 5) is a gain, combine lines 6 and 18 (or Form 4798, lines 1 and 5), and enter here. If this line or line 18 (or Form 4798, line 5) shows a loss or zero, skip to line 29 and enter zero on line 27	25	
26 Enter smaller of line 18 (or Form 4798, line 5) or line 25	26	
27 Enter smaller of line 24 or line 26	27	
28 Enter 60% of amount on line 27	28	
29 Subtract line 27 from line 24	29	
30 Enter 50% of amount on line 29	30	
31 Add line 28 and line 30. This is your capital gain deduction *	31	
32 Subtract line 31 from line 21 (or Form 4798, line 9). Enter here and on Form 1040, line 14	32	

Part V Computation of Post-1969 Capital Loss Carryovers from 1979 to 1980 *(Complete this part if the loss on line 23a is more than the loss shown on line 23b)*

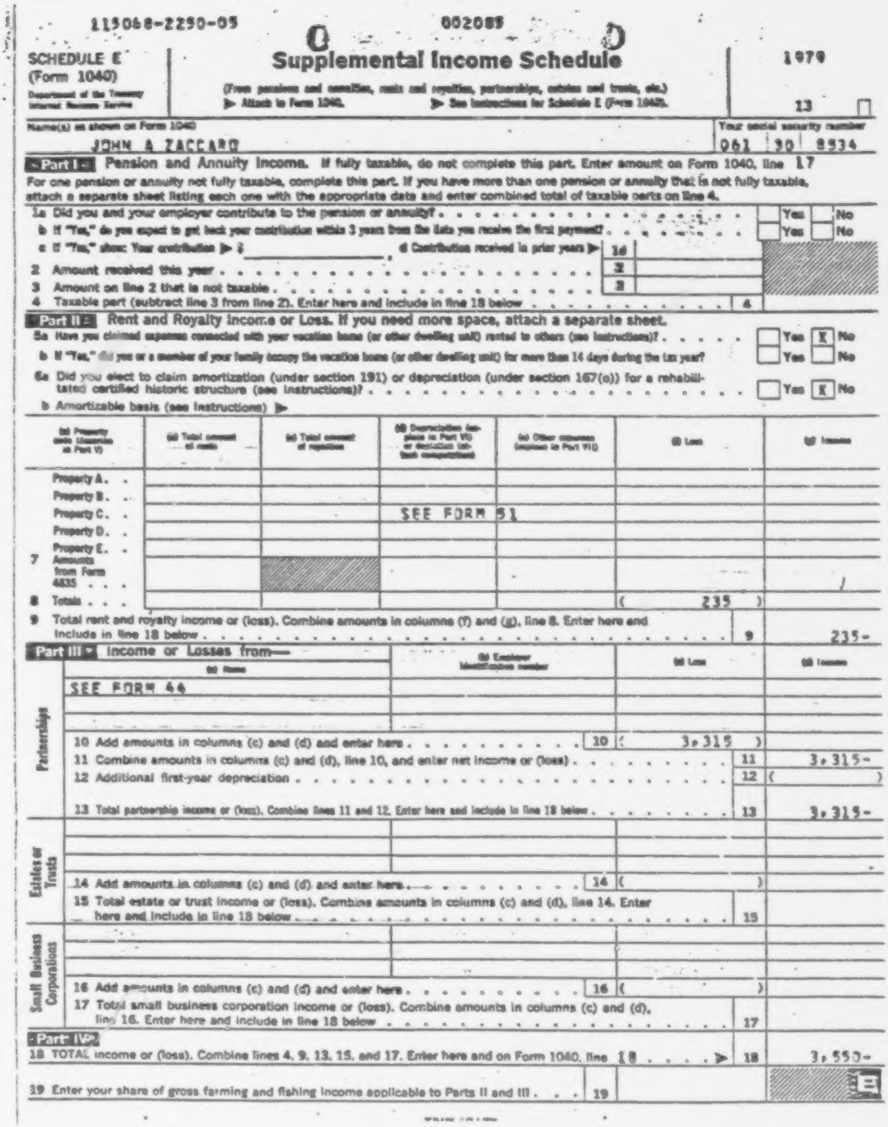
Section A.—Short-term Capital Loss Carryover

33 Enter loss shown on line 8; if none, enter zero and skip lines 34 through 38—then go to line 39	33	
34 Enter gain shown on line 20. If that line is blank or shows a loss, enter zero	34	
35 Reduce any loss on line 33 to the extent of any gain on line 34	35	
36 Enter amount shown on line 23b	36	
37 Enter smaller of line 35 or 36	37	
38 Subtract line 37 from line 35	38	
Note: *The amount on line 38 is the part of your short-term capital loss carryover from 1979 to 1980 that is from years beginning after 1969.*		

Section B.—Long-term Capital Loss Carryover

39 Subtract line 37 from line 36 (Note: *If you skipped lines 34 through 38, enter amount from line 23b*)	39	
40 Enter loss from line 20; if none, enter zero and skip lines 41 through 44	40	
41 Enter gain shown on line 8. If that line is blank or shows a loss, enter zero	41	
42 Reduce any loss on line 40 to the extent of any gain on line 41	42	
43 Multiply amount on line 39 by 2	43	
44 Subtract line 43 from line 42	44	
Note: *The amount on line 44 is the part of your long-term capital loss carryover from 1979 to 1980 that is from years beginning after 1969.*		

* If the amount you enter on this line is other than zero, you may be liable for the alternative minimum tax. See Form 6251.



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SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

Supplemental Income Schedule

(From pensions and annuities, rents and royalties, partnerships, estates and trusts, etc.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule E (Form 1040).

1979

13 ☐

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061 30 8534

Part I Pension and Annuity Income. If fully taxable, do not complete this part. Enter amount on Form 1040, line 17

For one pension or annuity not fully taxable, complete this part. If you have more than one pension or annuity that is not fully taxable, attach a separate sheet listing each one with the appropriate data and enter combined total of taxable parts on line 4.

1a Did you and your employer contribute to the pension or annuity?			☐ Yes ☐ No
b If "Yes," do you expect to get back your contribution within 3 years from the date you receive the first payment?			☐ Yes ☐ No
c If "Yes," show: Your contribution ▶ $ ________ , d Contribution received in prior years ▶	1d		▨
2 Amount received this year	2		▨
3 Amount on line 2 that is not taxable	3		▨
4 Taxable part (subtract line 3 from line 2). Enter here and include in line 18 below		4	

Part II Rent and Royalty Income or Loss. If you need more space, attach a separate sheet.

5a Have you claimed expenses connected with your vacation home (or other dwelling unit) rented to others (see Instructions)? ☐ Yes ☒ No

b If "Yes," did you or a member of your family occupy the vacation home (or other dwelling unit) for more than 14 days during the tax year? ☐ Yes ☐ No

6a Did you elect to claim amortization (under section 191) or depreciation (under section 167(o)) for a rehabilitated certified historic structure (see Instructions)? ☐ Yes ☒ No

b Amortizable basis (see Instructions) ▶

(a) Property code (describe in Part V)	(b) Total amount of rents	(c) Total amount of royalties	(d) Depreciation (explain in Part VI) or depletion (attach computation)	(e) Other expenses (explain in Part VI)	(f) Loss	(g) Income
Property A.						
Property B.						
Property C.			SEE FORM 51			
Property D.						
Property E.						
7 Amounts from Form 4835		▨				
8 Totals					(235)	

9 Total rent and royalty income or (loss). Combine amounts in columns (f) and (g), line 8. Enter here and include in line 18 below	9	235-

Part III Income or Losses from—

	(a) Name	(b) Employer identification number	(c) Loss	(d) Income
Partnerships	SEE FORM 44			
	10 Add amounts in columns (c) and (d) and enter here	10	(3,315)	
	11 Combine amounts in columns (c) and (d), line 10, and enter net income or (loss)		11	3,315-
	12 Additional first-year depreciation		12	( )
	13 Total partnership income or (loss). Combine lines 11 and 12. Enter here and include in line 18 below		13	3,315-
Estates or Trusts				
	14 Add amounts in columns (c) and (d) and enter here	14	( )	
	15 Total estate or trust income or (loss). Combine amounts in columns (c) and (d), line 14. Enter here and include in line 18 below		15	
Small Business Corporations				
	16 Add amounts in columns (c) and (d) and enter here	16	( )	
	17 Total small business corporation income or (loss). Combine amounts in columns (c) and (d), line 16. Enter here and include in line 18 below		17	

Part IV

18 TOTAL income or (loss). Combine lines 4, 9, 13, 15, and 17. Enter here and on Form 1040, line 18 ▶	18	3,550-
19 Enter your share of gross farming and fishing income applicable to Parts II and III	19	

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SCHEDULE G
(Form 1040)
Department of the Treasury
Internal Revenue Service

Income Averaging

▶ See instructions on pages 2 and 3.
▶ Attach to Form 1040.

1979
18 ☐

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061 : 30 : 8534

Base Period Income and Adjustments	(a) 1st preceding base period year 1978	(b) 2d preceding base period year 1977	(c) 3rd preceding base period year 1976	(d) 4th preceding base period year 1975
1 Enter amount from: Form 1040 (1977 and 1978)—line 34 Form 1040A (1977 and 1978)—line 10	52,562.	21,378.	▨	▨
2 Multiply $750 by the total number of exemptions claimed in 1977 and 1978	3,000.	3,000.	▨	▨
3 Taxable income (subtract line 2 from line 1). If less than zero, enter zero (see instructions)	49,562.	18,378.	6,096.	5,068.
4 Income earned outside of the United States or within U.S. possessions and excluded under sections 911 and 931				
5 On your 1979 Form 1040, if you checked box {2 or 5 enter $3,200 / 1 or 4 enter $2,200 / 3 enter $1,600} {in columns (c) and (d)}	▨	▨	1,600.	1,600.
6 Base period income (add lines 3, 4 and 5)	49,562.	18,378.	7,696.	6,668.

Computation of Averageable Income

7 Taxable income for 1979 from Schedule TC (Form 1040), Part I, line 3 — 7 — 54,448.
8 Certain amounts received by owner-employees subject to a penalty under section 72(m)(5) — 8
9 Subtract line 8 from line 7 — 9 — 54,448.
10 Excess community income — 10
11 Adjusted taxable income (subtract line 10 from line 9). If less than zero, enter zero — 11 — 54,448.
12 Add columns (a) through (d), line 6, and enter here — 12 — 82,304.
13 Enter 30% of line 12 — 13 — 24,691.
14 Averageable income (subtract line 13 from line 11) — 14 — 29,757.

If line 14 is $3,000 or less, do not complete the rest of the form. You do not qualify for income averaging.

G

Computation of Tax

15 Amount from line 13 — 15 — 24,691.
16 20% of line 14 — 16 — 5,951.
17 Total (add lines 15 and 16) — 17 — 30,642.
18 Excess community income from line 10 — 18
19 Total (add lines 17 and 18) — 19 — 30,642.
20 Tax on amount on line 19* (see caution below) — 20 — 10,186.
21 Tax on amount on line 17* (see caution below) — 21 — 10,186.
22 Tax on amount on line 15* (see caution below) — 22 — 7,238.
23 Subtract line 22 from line 21 — 23 — 2,948.
24 Multiply the amount on line 23 by 4 — 24 — 11,792.
Note: If no entry was made on line 8 above, skip lines 25 through 27 and go to line 28.
25 Tax on amount on line 7* (see caution below) — 25
26 Tax on amount on line 9* (see caution below) — 26
27 Subtract line 26 from line 25 — 27
28 Tax (add lines 20, 24, and 27). Enter here and on Schedule TC (Form 1040), Part I, line 4 and check Schedule G box — 28 — 21,978.

*Caution: Use Tax Rate Schedule X, Y or Z from the Form 1040 instructions to figure your tax on lines 20, 21, 22, 25 and 26. Do not use tax tables.

Page 2 of Schedule G — DOES APPLY ☐ DOES NOT APPLY ☐

115068-2250-05 002085

SCHEDULE SE
(Form 1040)
Department of the Treasury
Internal Revenue Service

Computation of Social Security Self-Employment Tax

▶ See Instructions for Schedule SE (Form 1040).
▶ Attach to Form 1040.

1979
14 ☐

Name of self-employed person (as shown on social security card) JOHN A ZACCARO

Social security number of self-employed person ▶ 061 30 0534

Part I — Computation of Net Earnings from FARM Self-employment

Regular Method		
1 Net profit or (loss) from:		
a Schedule F (Form 1040)	1a	
b Farm partnerships	1b	
2 Net earnings from farm self-employment (add lines 1a and 1b)	2	
Farm Optional Method		
3 If gross profits from farming are: a Not more than $2,400, enter two-thirds of the gross profits b More than $2,400 and the net farm profit is less than $1,600, enter $1,600	3	
4 Enter here and on line 12a, the amount on line 2, or line 3 if you elect the farm optional method	4	

Part II — Computation of Net Earnings from NONFARM Self-employment

SE

Regular Method		
5 Net profit or (loss) from:		
a Schedule C (Form 1040)	5a	
b Partnerships, joint ventures, etc. (other than farming)	5b	
c Service as a minister, member of a religious order, or a Christian Science practitioner. (Include rental value of parsonage or rental allowance furnished.) If you filed Form 4361 and have not revoked that exemption, check here ▶ ☐ and enter zero on this line	5c	
d Service with a foreign government or international organization	5d	
e Other (specify) ▶ SEE SCHEDULE 4	5e	58,500.
6 Total (add lines 5a through 5e)	6	58,500.
7 Enter adjustments if any (attach statement, see page 29 of instructions)	7	
8 Adjusted net earnings or (loss) from nonfarm self-employment (line 6, as adjusted by line 7)	8	58,500.
Note: *If line 8 is $1,600 or more or if you do not elect to use the Nonfarm Optional Method, skip lines 9 through 11 and enter amount from line 8 on line 12b, Part III.*		
Nonfarm Optional Method		
9 a Maximum amount reportable under both optional methods combined (farm and nonfarm)	9a	$1,600.00
b Enter amount from line 3. (If you did not elect to use the farm optional method, enter zero.)	9b	
c Balance (subtract line 9b from line 9a)	9c	
10 Enter two-thirds of gross nonfarm profits or $1,600, whichever is smaller	10	
11 Enter here and on line 12b, the amount on line 9c or line 10, whichever is smaller	11	

Part III — Computation of Social Security Self-employment Tax

12 Net earnings or (loss):		
a From farming (from line 4)	12a	
b From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method)	12b	58,500.
13 Total net earnings or (loss) from self-employment reported on lines 12a and 12b. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of schedule)	13	58,500.
14 The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement taxes for 1979 is	14	$22,900.00
15 a Total "FICA" wages (from Forms W-2) and "RRTA" compensation — 15a 34,104.		
b Unreported tips subject to FICA tax from Form 4137, line 9 or to RRTA — 15b		
c Add lines 15a and 15b	15c	34,104.
16 Balance (subtract line 15c from line 14)	16	0.
17 Self-employment income—line 13 or 16, whichever is smaller	17	0.
18 Self-employment tax. (If line 17 is $22,900, enter $1,854.90; if less, multiply the amount on line 17 by .081.) Enter here and on Form 1040, line 48	18	0.

TRIPLICATE

115068-2250-05 O 002089 O

SCHEDULE TC
(Form 1040)
Department of the Treasury
Internal Revenue Service

Tax Computation Schedule

▶ Attach to Form 1040.

1979

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061 30 8534

Part I Computation of Tax for Taxpayers Who Cannot Use the Tax Tables

Use this part to figure your tax if:

- Your income on Form 1040, line 34, is more than $20,000 and you checked Filing Status Box 1, 3, or 4 on Form 1040.
- Your income on Form 1040, line 34, is more than $40,000 and you checked Filing Status Box 2 or 5 on Form 1040.
- You had more exemptions than were shown in the Tax Table for your filing status.
- You figure your tax using Schedule G [illegible]come Averaging) or Form 4726 (Maxi[illegible]um Tax on Personal Service Income).

1 Enter the amount from Form 1040, line 34	1	58,448.
2 Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 7	2	4,000.
3 Taxable income. Subtract line 2 from line 1. (Figure your tax on this amount by using the Tax Rate Schedules or one of the other methods listed on line 4.)	3	54,448.
4 Income tax. Enter tax and check if from: ☐ Tax Rate Schedule X, Y, or Z, ☒ Schedule G, or ☐ Form 4726. Also enter on Form 1040, line 35.	4	21,978.

Part II Computation for Certain Taxpayers Who MUST Itemize Deductions

If you are included in one of the groups below, you MUST itemize. If you must itemize and the amount on Schedule A (Form 1040), line 40, is more than your itemized deductions on Schedule A, line 39, you must complete Part II before figuring your tax.

You MUST itemize your deductions if:

A. You can be claimed as a dependent on your parents' return and had interest, dividends, or other unearned income of $1,000 or more and had earned income of less than $2,300 if single (less than $1,700 if married filing a separate return).

Note: *If your earned income is more than your itemized deductions, you don't have to fill in Schedule A. Just enter your earned income in Part II, line 3, of this schedule, unless you are married filing a separate return and your spouse itemizes deductions. Generally, your earned income is the total of any amounts on Form 1040, lines 8, 13, and 19. See page 12 of the instructions for Form 1040 for more details.*

B. You are married filing a separate return and your spouse itemizes deductions. (There is an exception to this rule. You don't have to itemize if your spouse must itemize only because he or she is described in A and enters earned income instead of itemized deductions on Part II, line 3, of this schedule. If this is the case, don't complete Part II. Go back to Form 1040, line 33, and enter $0. Then go to Form 1040, line 34.)

C. You file Form 4563 to exclude income from sources in U.S. possessions. (Please see Form 4563, and Publication 570, Tax Guide for U.S. Citizens Employed in U.S. Possessions, for more details.)

D. You had dual status as a nonresident alien for part of 1979, and during the rest of the year you were either a resident alien or a U.S. citizen. However, you don't have to itemize if at the end of 1979, you were married to a U.S. resident or citizen and file a joint return reporting your combined worldwide income.

1 Enter the amount from Form 1040, line 31			1	
2 If you checked Form 1040, Filing Status Box: 2 or 5, enter $3,400; 1 or 4, enter $2,300; 3, enter $1,700	2			
3 Enter the amount from Schedule A, line 39	3			
Caution: *If you can be claimed as a dependent on your parents' return, see the Note above. Be sure you check the box below line 33 of Form 1040.*				
4 Subtract line 3 from line 2			4	
5 Add lines 1 and 4. Enter here and on Form 1040, line 34. (Leave Form 1040, line 33 blank. Disregard the instruction to subtract line 33 from line 32. Follow the rest of the instructions for Form 1040, line 34.)			5	

TC

The example below may help you to complete Part II.

Example—Walter Green, a single individual, is claimed as a dependent on his parents' return. Walter's adjusted gross income, Form 1040, line 31, is $4,000. Of this amount, $1,500 was earned income from a summer job and $2,500 was unearned income that he received as a beneficiary of a trust. Because Walter is being claimed as a dependent on his parents' return and has unearned income of $1,000 or more and earned income of less than $2,300, he must use Part II of Schedule TC. Walter knows that his total itemized deductions are only $900. Since this is less than his earned income ($1,500), he does not have to complete Schedule A. Walter enters $2,300, the zero bracket amount for a single individual, on line 2 of Part II and his earned income on line 3. He completes Part II as shown below and enters the total of $4,800 on Form 1040, line 34. He then figures his tax using the Tax Tables as explained in the instructions for lines 34 and 35 on page 12.

1 Adjusted gross income		$4,000
2 Zero bracket amount for a single individual	$2,300	
3 Earned income	1,500	
4 Subtract line 3 from line 2		800
5 Add lines 1 and 4. Enter here and on Form 1040, line 34		$4,800

Note: *If Walter's itemized deductions are more than his earned income, he must complete Schedule A first.*

TRIPLICATE

119068-2250-09 002089

Form **5695**
Department of the Treasury
Internal Revenue Service

Energy Credits

▶ Attach to Form 1040. ▶ See Instructions on back.

1979
25

Name(s) as shown on Form 1040
JOHN A ZACCARO

Your social security number
061 | 30 | 8534

Enter in the space below the address of your principal residence on which the credit is claimed if it is different from the address shown on Form 1040.

Part I Fill in your energy conservation costs (but do not include repair or maintenance costs). If you have an unused energy credit carryover from the previous tax year and no energy savings costs this year, skip to Part III, line 20.

Was your principal residence substantially completed before April 20, 1977? ☒ Yes ☐ No
If you checked "No," do not fill in Part I.

1 Energy Conservation Items:		
a Insulation	1a	4,900.
b Storm (or thermal) windows or doors	1b	
c Caulking or weatherstripping	1c	
d Other items (list here)	1d	
2 Total (add lines 1a through 1d)	2	4,900.
3 Maximum amount	3	$2,000
4 Enter the total energy conservation costs for this residence from your 1978 Form 5695, line 2	4	
5 Subtract line 4 from line 3	5	2,000.
6 Enter the amount on line 2 or line 5, whichever is less	6	2,000.
7 Enter 15% of line 6	7	300.

Part II Fill in your renewable energy source costs (but do not include repair or maintenance costs).
If you have an unused energy credit carryover from the previous year and no energy savings costs this year, skip to Part III, line 20.

8 Renewable Energy Source Items:		
a Solar	8a	
b Geothermal	8b	
c Wind	8c	
9 Total (add lines 8a through 8c)	9	
10 Maximum amount	10	$10,000
11 Enter the total renewable energy source costs for this residence from your 1978 Form 5695, line 9	11	
12 Subtract line 11 from line 10	12	
13 Enter amount on line 9 or line 12, whichever is less	13	
14 Enter 20% of line 13	14	
15 Subtract amount on line 11 from $2,000. If zero or less, enter zero	15	
16 Enter amount on line 13 or line 15, whichever is less	16	
17 Enter 10% of line 16	17	
18 Add lines 14 and 17	18	

Part III Fill in this part to figure the limitation

19 Add line 7 and line 18. *If less than $10, enter zero*	19	300.
20 *Enter your unused energy credit carryover from the previous tax year*	20	
21 Add lines 19 and 20	21	300.
22 Enter the amount of tax shown on Form 1040, line 37	22	21,978.
23 Add lines 38 through 44 from Form 1040 and enter the total	23	50.
24 Subtract line 23 from line 22. If zero or less, enter zero	24	21,928.
25 Residential energy credit. Enter the amount on line 21 or line 24, whichever is less. Also, enter this amount on Form 1040, line 45	25	300.

Form 5695 1979

TRIPLICATE

115068-2250-05 002085

Form **6251**
Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax Computation

▶ Attach to Forms 1040, 1041 or 990–T (Trust).

1979
30 ☐

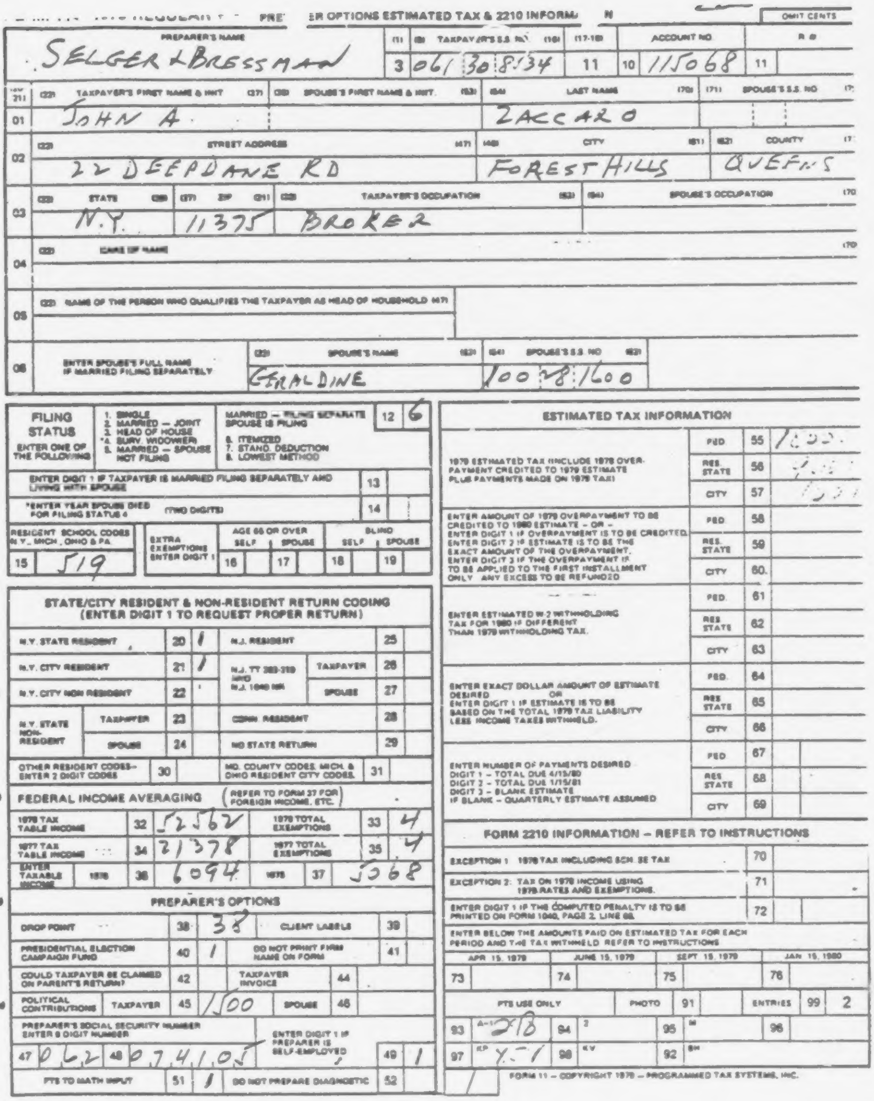
Name(s) as shown on tax return: JOHN A ZACCARD
Identifying number: 061-30-8534

1 Adjusted gross income from Form 1040, line 32 (estates and trusts—see instructions)			1	90,275.
2 Deductions (applies to individuals only):				
a Enter amount from Form 1040, line 33	2a	31,827.		
b On year 1979 Form 1040, if you checked Filing Status box { 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700 }	2b	1,700.		
c Multiply $1,000 by the total number of exemptions on Form 1040, line	2c	4,000.		
d Add lines 2a through 2c (estates and trusts, enter zero)			2d	37,527.
3 Subtract line 2d from line 1			3	52,748.
4 Tax preference items:				
a Adjusted itemized deductions	4a			
b Capital gain deduction	4b	1,096.		
c Add lines 4a and 4b			4c	1,096.
5 Alternative minimum taxable income (add lines 3 and 4c)			5	53,844.
6 Enter $20,000 ($10,000 if married filing separately, or an estate or trust)			6	10,000.
7 Subtract line 6 from line 5. If zero or less, do not complete the rest of this form			7	43,844.
8 Enter the smaller of line 7 or $40,000 ($20,000 if married filing separately or an estate or trust)	8	20,000.		
9 Subtract line 8 from line 7	9	23,844.		
10 Enter the smaller of line 9 or $40,000 ($20,000 if married filing separately or an estate or trust)	10	20,000.		
11 Subtract line 10 from line 9	11	3,844.		
12 Enter 10% of line 8	12	2,000.		
13 Enter 20% of line 10	13	4,000.		
14 Enter 25% of line 11	14	961.		
15 Add lines 12, 13 and 14			15	6,961.
16 Amount from Form 1040, line 47 * (estates and trusts—see instructions)	16	21,628.		
17 Minimum tax from Form 1040, line 49A (estates and trusts—see instructions)	17			
18 Tax from recomputing prior-year investment credit (from Form 1040, line 50) (estates and trusts—see instructions)	18			
19 Tax from recomputing prior-year work incentive (WIN) credit	19			
20 Add lines 16 through 19			20	21,628.
21 Alternative minimum tax (subtract line 20 from line 15). If zero or less, do not complete the rest of this form			21	0.
22 Foreign tax credit (see instructions)			22	
23 Subtract line 22 from line 21. Enter here and on Form 1040, line 49B (estates and trusts—see instructions)			23	

*Do not include any tax from Form 4970, Form 4972, Form 5544, or any penalty tax under section 72(m)(5).

Form 6251 1979

TRIPLICATE



PRE ER OPTIONS ESTIMATED TAX & 2210 INFORM N

OMIT CENTS

PREPARER'S NAME	(1)	(8) TAXPAYER'S S.S. NO. (16)	(17-18)		ACCOUNT NO.		R #
SELGER & BRESSMAN	3	061 30 8134	11	10	115068	11	

21	(22) TAXPAYER'S FIRST NAME & INIT (37)	(38) SPOUSE'S FIRST NAME & INIT. (53)	(54) LAST NAME (70)	(71) SPOUSE'S S.S. NO
01	JOHN A		ZACCARO	

02	(22) STREET ADDRESS (47)	(48) CITY (61)	(62) COUNTY
	22 DEEPDANE RD	FOREST HILLS	QUEENS

03	(22) STATE (26)	(27) ZIP (31)	(32) TAXPAYER'S OCCUPATION (53)	(54) SPOUSE'S OCCUPATION (70)
	N.Y.	11375	BROKER	

04	(22) CARE OF NAME (70)
05	(22) NAME OF THE PERSON WHO QUALIFIES THE TAXPAYER AS HEAD OF HOUSEHOLD (47)

06	ENTER SPOUSE'S FULL NAME IF MARRIED FILING SEPARATELY	(22) SPOUSE'S NAME (52)	(54) SPOUSE'S S.S. NO (62)
		GERALDINE	100 28 1600

FILING STATUS ENTER ONE OF THE FOLLOWING	1. SINGLE 2. MARRIED — JOINT 3. HEAD OF HOUSE *4. SURV. WIDOW(ER) 5. MARRIED — SPOUSE NOT FILING	MARRIED — FILING SEPARATE SPOUSE IS FILING 6. ITEMIZED 7. STAND. DEDUCTION 8. LOWEST METHOD	12	6
ENTER DIGIT 1 IF TAXPAYER IS MARRIED FILING SEPARATELY AND LIVING WITH SPOUSE			13	
*ENTER YEAR SPOUSE DIED FOR FILING STATUS 4 (TWO DIGITS)			14	

RESIDENT SCHOOL CODES N.Y., MICH., OHIO & PA		EXTRA EXEMPTIONS ENTER DIGIT 1	AGE 65 OR OVER SELF		SPOUSE		BLIND SELF		SPOUSE
15	519		16		17		18		19

STATE/CITY RESIDENT & NON-RESIDENT RETURN CODING (ENTER DIGIT 1 TO REQUEST PROPER RETURN)

N.Y. STATE RESIDENT		20	1	N.J. RESIDENT	25	
N.Y. CITY RESIDENT		21	1	N.J. TT 383-319 AND N.J. 1040 NR TAXPAYER	26	
N.Y. CITY NON RESIDENT		22		SPOUSE	27	
N.Y. STATE NON-RESIDENT	TAXPAYER	23		CONN. RESIDENT	28	
	SPOUSE	24		NO STATE RETURN	29	
OTHER RESIDENT CODES— ENTER 2 DIGIT CODES		30		MD. COUNTY CODES, MICH. & OHIO RESIDENT CITY CODES	31	

FEDERAL INCOME AVERAGING (REFER TO FORM 37 FOR FOREIGN INCOME, ETC.)

1978 TAX TABLE INCOME	32	52562	1978 TOTAL EXEMPTIONS	33	4
1977 TAX TABLE INCOME	34	21378	1977 TOTAL EXEMPTIONS	35	4
ENTER TAXABLE INCOME 1976	36	6094	1975	37	5068

PREPARER'S OPTIONS

DROP POINT	38	38	CLIENT LABELS	39	
PRESIDENTIAL ELECTION CAMPAIGN FUND	40	1	DO NOT PRINT FIRM NAME ON FORM	41	
COULD TAXPAYER BE CLAIMED ON PARENT'S RETURN?	42		TAXPAYER INVOICE	44	
POLITICAL CONTRIBUTIONS TAXPAYER	45	100	SPOUSE	46	

PREPARER'S SOCIAL SECURITY NUMBER ENTER 9 DIGIT NUMBER				ENTER DIGIT 1 IF PREPARER IS SELF-EMPLOYED	
47	062	48	074105	49	1
PTS TO MATH INPUT	51	1	DO NOT PREPARE DIAGNOSTIC	52	

ESTIMATED TAX INFORMATION

1979 ESTIMATED TAX (INCLUDE 1978 OVERPAYMENT CREDITED TO 1979 ESTIMATE PLUS PAYMENTS MADE ON 1979 TAX)	FED	55	[illegible]
	RES. STATE	56	[illegible]
	CITY	57	[illegible]
ENTER AMOUNT OF 1979 OVERPAYMENT TO BE CREDITED TO 1980 ESTIMATE – OR – ENTER DIGIT 1 IF OVERPAYMENT IS TO BE CREDITED. ENTER DIGIT 2 IF ESTIMATE IS TO BE THE EXACT AMOUNT OF THE OVERPAYMENT. ENTER DIGIT 3 IF THE OVERPAYMENT IS TO BE APPLIED TO THE FIRST INSTALLMENT ONLY ANY EXCESS TO BE REFUNDED	FED	58	
	RES. STATE	59	
	CITY	60.	
ENTER ESTIMATED W-2 WITHHOLDING TAX FOR 1980 IF DIFFERENT THAN 1979 WITHHOLDING TAX.	FED.	61	
	RES STATE	62	
	CITY	63	
ENTER EXACT DOLLAR AMOUNT OF ESTIMATE DESIRED OR ENTER DIGIT 1 IF ESTIMATE IS TO BE BASED ON THE TOTAL 1979 TAX LIABILITY LESS INCOME TAXES WITHHELD.	FED.	64	
	RES STATE	65	
	CITY	66	
ENTER NUMBER OF PAYMENTS DESIRED DIGIT 1 – TOTAL DUE 4/15/80 DIGIT 2 – TOTAL DUE 1/15/81 DIGIT 3 – BLANK ESTIMATE IF BLANK – QUARTERLY ESTIMATE ASSUMED	FED	67	
	RES STATE	68	
	CITY	69	

FORM 2210 INFORMATION – REFER TO INSTRUCTIONS

EXCEPTION 1 1978 TAX INCLUDING SCH. SE TAX	70	
EXCEPTION 2: TAX ON 1978 INCOME USING 1979 RATES AND EXEMPTIONS.	71	
ENTER DIGIT 1 IF THE COMPUTED PENALTY IS TO BE PRINTED ON FORM 1040, PAGE 2, LINE 68.	72	

ENTER BELOW THE AMOUNTS PAID ON ESTIMATED TAX FOR EACH PERIOD AND THE TAX WITHHELD. REFER TO INSTRUCTIONS

APR 15, 1979		JUNE 15, 1979		SEPT 15, 1979		JAN 15, 1980	
73		74		75		76	

PTS USE ONLY		PHOTO		91		ENTRIES 99	2
93	A-1 218	94	2	95	M	96	
97	KP Y-1	98	KV	92	SH		

FORM 11 – COPYRIGHT 1979 – PROGRAMMED TAX SYSTEMS, INC.

FORM 12 – DEPENDENTS, OTHER DEPENDENTS WAGES & MISCELLANEOUS INCOME – 1979

ACCOUNT NO	(17) (18)
P [illegible]	12

TAXPAYER(S) NAME: JOHN A. ZACCARO

SCHEDULE 1 – DEPENDENT CHILDREN WHO LIVED WITH TAXPAYER
NOTE: FOR STATE PURPOSES ENTER "S" FOR SON, "D" FOR DAUGHTER AND THEIR AGE (REFER TO INSTRUCTIONS)

FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	TOTAL CHILDREN
DONA	D		LAURA	D								11
[illegible]	S											

SCHEDULE 2 – OTHER DEPENDENTS

NAME	RELATIONSHIP	NO. MOS IN HOME	DID DEPENDENT HAVE INCOME OF $1000 OR MORE?	DID YOU PROVIDE MORE THAN ONE-HALF OF DEPENDENT SUPPORT?	TOTAL OTHER DEPENDENTS
					12

SCHEDULE 3 – INCOME FROM WAGES, SALARIES & TIPS (IF GROSS WAGES ARE NOT EQUAL TO FICA WAGES SEE INSTRUCTIONS)

NAME OF EMPLOYER	N/W	F.W.T.	GROSS	F.I.C.A.	S.W.T.	C.W.T.
P. ZACCARO CO. INC.		2602	29104	1404	961	404
FLEEKIN REALTY CORP		390	5000	307	168	—

ADVANCED EARNED INCOME PAYMENTS RECEIVED								
TAXPAYER	13	TOTAL – TAXPAYER	14 2992	15 34104	16 1711	17 1129	18 [illegible]
SPOUSE	19	TOTAL – SPOUSE	20	21	22	23	24

SCHEDULE 3A NON-RESIDENT WAGES
DO NOT DUPLICATE YOUR ENTRIES ON THE STATE SHEETS

NEW YORK STATE IT 203 & 209		NEW YORK CITY NYC 203 MICH. CITY NON-RESIDENT		1040SE – LINES 7 & 1(A) ADJUSTMENTS ENTER FICA WAGES AS INDICATED ON FORM W-2 THAT HAVE BEEN INCLUDED IN SCHEDULE C GROSS RECEIPTS.	
TAXPAYER	SPOUSE	TAXPAYER	SPOUSE	TAXPAYER	SPOUSE
25	26	27	28	29	30

SCHEDULE 4 – MISCELLANEOUS INCOME	N.W. OR J.	FEDERAL TAXABLE INCOME	RESIDENT STATE-INCOME TAXPAYER	RESIDENT STATE-INCOME SPOUSE	TAXPAYER	SPOUSE
FULLY TAXABLE PENSIONS AND ANNUITIES		47	48	49	PENSION EXCLUSION FOR RESIDENT STATE RETURNS (ENTER AS POSITIVE	
STATE AND/OR LOCAL INCOME TAX REFUNDS		50	51	52	68	69
ALIMONY RECEIVED		53	54	55	MISCELLANEOUS INCOME (LOSS) SUBJECT TO SELF-EMPLOYMENT TAX	
COMMISSION OR FEE INCOME		58500	58500		70 58500	71
DIRECTORS FEES					PERSONAL SERVICE INCOME INCLUDED IN MISCELLANEOUS INCOME FOR MAXIMUM TAX COMPUTATION. (NOTE: INCLUDE INCOME FROM QUALIFYING PENSIONS & ANNUITIES)	
GROUP INSURANCE		552	552			
					72 56500	73
					UNEMPLOYMENT COMPENSATION ENTER TOTAL AMOUNT RECEIVED.	
TOTALS →		65 59052	66 59052	67	80	81

FORM 12 – COPYRIGHT 1979, PROGRAMMED TAX SYSTEMS, INC.

FOR PTS USE ONLY	99	1

FORM 13 — DIVIDEND INCOME — 1979

P

ACCOUNT NO. [illegible]

TAXPAYER(S) NAME JOHN A. ZACCARO

13	SCHEDULE B – DIVIDEND INCOME *IF SCHEDULE "D" IS NOT USED THE COMPUTER WILL CALCULATE 40% CAP GAIN DIST AS MISC INCOME	H.W. OR J	QUALIFYING	*CAP GAIN DISTRIBUTIONS	NONTAXABLE	NON-QUALIFYING	N.J. & P.A. STATE AMOUNT

RECAP TOTALS ONLY								
	TAXPAYER		TOTAL – TAXPAYER	11	12	13	14	23
	SPOUSE		TOTAL – SPOUSE	15	16	17	18	24
	JOINT		TOTAL – JOINT INC.	19	20	21	22	
	GROSS DIV							

FOR PTS USE ONLY 99 1

FORM 14 — INTEREST INCOME — 1979

14	SCHEDULE B – INTEREST INCOME	H.W. OR J	FEDERAL AMOUNT	STATE MODIFICATION	MASS. 5% INTEREST
	EAST RIVER		1303		
	BANK OF BABYLON		13		
	N.E. MUTUAL		43		
	MORTGAGE		80		
		TAXPAYER	11 1439	12	30
		SPOUSE	13	14	31
		JOINT INC	15	16	32

FORFEITED INTEREST PENALTY FOR PREMATURE WITHDRAWAL

TAXPAYER		SPOUSE	
17		18	

FOREIGN ACCOUNTS AND FOREIGN TRUSTS

ENTER DIGIT 1 IF THE TAXPAYER(S) HAD A FOREIGN BANK ACCOUNT, ETC., DURING THE TAXABLE YEAR. IF YES, SEE PAGE 19 OF IRS INSTRUCTIONS. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER 20

ENTER DIGIT 1 IF THE TAXPAYER(S) WERE GRANTORS OR TRANSFERORS OF A FOREIGN TRUST DURING THE TAXABLE YEAR. IF YES, ATTACH FORM 3520, 3520A, OR 926 TO THE RETURN. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER. 21

STATE MODIFICATION OF INTEREST INCOME

ENTER STATE NONTAXABLE PORTION OF FEDERAL INTEREST INCOME IN THE STATE MODIFICATION COLUMN AS A NEGATIVE ( )

ENTER FEDERAL NONTAXABLE INTEREST INCOME WHICH IS TO BE PICKED UP FOR STATE RETURN IN THE STATE MODIFICATION COLUMN AS A POSITIVE.

ENTER NET MODIFICATION IN THE APPROPRIATE BOX(ES).

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FORM 13 – COPYRIGHT 1979 PROGRAMMED TAX SYSTEMS INC

FORM 15, ITEMIZED DEDUCTIONS 1979

P ACCOUNT NO. 115001 15

TAXPAYERS NAME: JOHN L. VACCARO

SCHEDULE 7 – MEDICAL & DENTAL		
MEDICAL INSURANCE PREMIUMS IN FULL	11	300
MEDICINE AND DRUGS BEFORE EXCLUSION	12	
6a DOCTORS, DENTISTS, ETC. (RECEIPTS & CHECKS)	13	
6b HOSPITALS	14	
6c OTHER MEDICAL (DO NOT DUPLICATE ENTRY OF DRS. ETC.)		
GLASSES, HEARING AIDS, ETC.		
LAB FEES & X-RAYS		
MEDICAL SUPPLIES		
MEDICAL TRAVEL @ 9¢ MILE		
MEDICAL INSURANCE REIMBURSEMENTS		( )
TOTAL MEDICAL (TOTAL OF ALL ITEMS) →	21	300

SCHEDULE 8 – TAXES		
RECAP OF STATE &/OR CITY TAX PAYMENTS		
1. 1979 WITHHOLDING		115
2. 1979 ESTIMATED TAX PAYMENTS MADE IN 1979		105
3. 4TH QUARTER 1978 ESTIMATE PAID IN 1979		
4. BALANCE PAID WITH 1978 RETURN		1032
5. OTHER PAYMENTS MADE DURING 1979		
STATE AND LOCAL INCOME (TOTAL LINES 1 TO 5)	50	72
REAL ESTATE TAX	51	50
GENERAL SALES OPTIONAL COMPUTATION BELOW	52	105
PERSONAL PROPERTY	53	
SALES TAX ON NEW AUTO		
SALES TAX ON MAJOR PURCHASES		
STOCK TRANSFER TAX		
NEW JERSEY STATE UNEMPLOYMENT		
FEDERAL DEDUCTIBLE TAXES →	60	235

INFORMATION FOR SALES TAX COMPUTATION		
ENTER DIGIT 1 FOR OPTIONAL COMPUTATION	70	
ENTER PERCENT TO ADD TO TABLE (ROUNDED TO NEAREST %)	71	%
INCREASE OR (DECREASE) AGI	72	

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ORM 17 – ITEMIZED DEDUCTIONS (CONTINUED) 1979

XPAYERS NAME: JOHN A. ZACCARO

P

ACCOUNT NO.	(17-18)
115067	17

SCHEDULE 9 – CONTRIBUTIONS		
CASH CONTRIBUTIONS (RECEIPTS & CHECKS)	11	912
CHURCH		
TEMPLE		
UNITED JEWISH APPEAL		
UNITED FUND		
HEART FUND		
CANCER FUND		
CAR EXPENSE FOR CHARITY @ 8¢ MILE		
BOY/GIRL SCOUTS		
MISCELLANEOUS ORGANIZED CHARITIES		
CONTRIBUTION OTHER THAN CASH	23	
CONTRIBUTION CARRYOVER (ATTACH STATEMENT) 50%	24	
CONTRIBUTION CARRYOVER (ATTACH STATEMENT) 30%	25	
CURRENT YEAR CONTRIBUTIONS SUBJECT TO: (ATTACH STATEMENT) 30% LIMITATION	26	
CURRENT YEAR CONTRIBUTIONS SUBJECT TO: (ATTACH STATEMENT) 20% LIMITATION	27	
TOTAL CONTRIBUTIONS →	28	912
SCHEDULE 10 – CASUALTY OR THEFT LOSSES		
25. LOSS BEFORE REIMBURSE. (DO NOT MAKE ENTRIES IF MORE THAN 1 CASUALTY OR THEFT LOSS)	30	
26. INSURANCE REIMBURSEMENT.	31	( )
27. SUBTRACT LINE 26 FROM LINE 25.		
28. ENTER SMALLER OF $100 OR LINE 27.		(100)
29. CASUALTY OR THEFT LOSS (LINE 27 LESS LINE 28) (IF MORE THAN ONE LOSS – SEE INSTRUCTIONS)	32	

SCHEDULE 11 – INTEREST EXPENSE		
HOME MORTGAGE	40	1352
CREDIT AND CHARGE CARDS	41	
AUTO LOAN		
FINANCE CO.		
HOME IMPROVEMENT LOAN		
BANK LOAN		1902
MARGIN ACCOUNT		
NYS & IRS · 1978 Ext		658
TOTAL INTEREST →	50	3912
SCHEDULE 12 – MISCELLANEOUS DEDUCTIONS		
UNION DUES	60	
INVESTMENT EXPENSES		
TAX PREPARATION FEE		
SAFE DEPOSIT BOX		24
PROFESSIONAL DUES		
BUSINESS PUBLICATIONS		
EDUCATION EXPENSES		
UNIFORMS		
WORK TOOLS		
OFFICE IN HOME		
BUSINESS ENTERTAINMENT AND GIFTS		
TOTAL MISCELLANEOUS DEDUCTIONS →	72	24

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OMIT CENTS	(17-18)	
ACCOUNT NO.		28
[illegible]		

FORM 28 – SUPPLEMENTAL DATA EET (ENERGY CREDITS & FORM 2210) – 1979

TAXPAYER(S) NAME: JOHN A. ZACCARO

Energy Credits – FORM 5695

Energy Conservation Items:	Insulation	11	[illegible]	Electrical or mechanical furnace ignition system	16	
	Storm (or thermal) windows or doors	12		Automatic setback thermostat	17	
	Caulking or weatherstripping	13		Energy Meter	18	
	Energy efficient furnace replacement burner	14		Other – *Attach statement to the return*	19	
	Energy saving flue modification device	15		Total of boxes 11-19		
Renewable Energy Source Items:	Solar				25	
	Geothermal				26	
	Wind				27	
Complete this section if Form 5695 was filed in 1978	Total energy conservation costs for this residence from your 1978 Form 5695, line 2.				30	
	Total renewable energy source costs for this residence from your 1978 Form 5695, line 5.				31	
	Unused residential energy credit carryover from the previous tax year.				32	

Form 3468 – Schedule B – Business Energy Investment Credit

NOTE: Executax: *Enter data for computation of regular investment credit on Form 19 and/or 38.*

Regular +: *Enter data for computation of regular investment credit on Form 37.*

Trimline: *Do not use Box 35. The non-refundable portion of any business energy investment credit should be considered in arriving at the amount to be entered in Box 57 of Trimline Form 14.*

Non-refundable business energy investment credit for Form 3468, Line 19. *Enter the amount from Line 8 of your manually prepared Form 3468, Schedule B.*	35	
Refundable business energy investment credit for Form 1040, Line 62. *Enter amount from Line 10 of your manually prepared Schedule B.*	36	

FORM 2210 Exception 3 Worksheet

To annualize your adjusted gross income and itemized deductions follow the computation below.

Actual amount × { 4 for period ended March 31, 1979 / 2.4 for period ended May 31, 1979 / 1.5 for period ended August 31, 1979 } = Annualized amount.

If you do not itemize deductions, figure your annualized adjusted gross income using the computation above. Enter the amount on line 4. Skip lines 1 through 3. Complete the rest of the worksheet.

	3/31/79	5/31/79	8/31/79
1 Figure your annualized itemized deductions for period(s) shown	▨	▨	▨
2 Enter the zero bracket amount for your filing status: $3,400 if married filing jointly (or widow or widower) $2,300 if single or head of household $1,700 if married filing separately	▨	▨	▨
3 a If line 1 is more than line 2, subtract line 2 from line 1			
b If line 2 is more than line 1, subtract line 1 from line 2			
4 If you have an amount on: Line 3a, subtract line 3a from } annualized adjusted gross income Line 3b, add line 3b to }	▨	▨	▨
5 Tax Table users—Skip to line 6. Tax Rate Schedule users—Multiply $1,000 by the number of personal exemptions and subtract the total from line 4			
6 Tax Table users—Find your tax on the amount on line 4 Tax Rate Schedule users—Figure your tax on the amount on line 5			
7 Enter your self-employment tax from worksheet below			
8 Total tax (add lines 6 and 7). Form 2210, Line 21	40	41	42

Self-Employment Tax Worksheet

	3/31/79	5/31/79	8/31/79
1 Actual self-employment income			
2 a Limit	22,900.00	22,900.00	22,900.00
b Actual wages subject to FICA tax			
c Annualization amounts	4	2.4	1.5
d Multiply line 2b by line 2c			
e Subtract line 2d from line 2a			
3 Multiply line 1 or line 2e, whichever is smaller, by .081			

Form 2210 Exception 4

	1/1/79 to 3/31/79	1/1/79 to 5/31/79	1/1/79 to 8/31/79
Tax on actual 1979 income for period(s) shown, As if those months constituted a full taxable year.	43	44	45
	/	For PTS Use Only	99 1

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FORM 36A – SCHEDULE D – CAPITAL GAINS AND LOSSES – 1979

REFER TO FORM 36B FOR CAPITAL LOSS CARRYOVERS & ADDITIONAL INFORMATION

P

TAXPAYER'S S.S. NO.	ACCOUNT NO.	
061 30[illegible]	115068	36

TAXPAYER(S) NAME A. ZACCARO

2250-5

1979 GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

a. KIND OF PROPERTY AND DESCRIPTION		b. ACQUIRED MO	DAY	YR	c. SOLD MO	DAY	YR	d. GROSS SALES PRICE LESS EXPENSE OF SALE	e. COST OR OTHER BASIS	SHORT TERM f. (LOSS)	g. GAIN	LONG TERM f. (LOSS)	g. GAIN
PROPERTY							79						
353 BROOME ST		12	05	74	2	15	79	14694	8380				
							79						
INSTALLMENT							79						
SALE							79						
CASH RECEIVED							79						1826
4250 x 42.97%							79						
							79						
							79						
							79						
							79						
							79						
							79						
							79						
							79						
							79						
							79						
							79						
							79						
							79						
							79						
TOTALS													

	FEDERAL	11	14	40	43	1826
STATE	TAXPAYER	12	15	41	44	
	SPOUSE	13	16	42	45	

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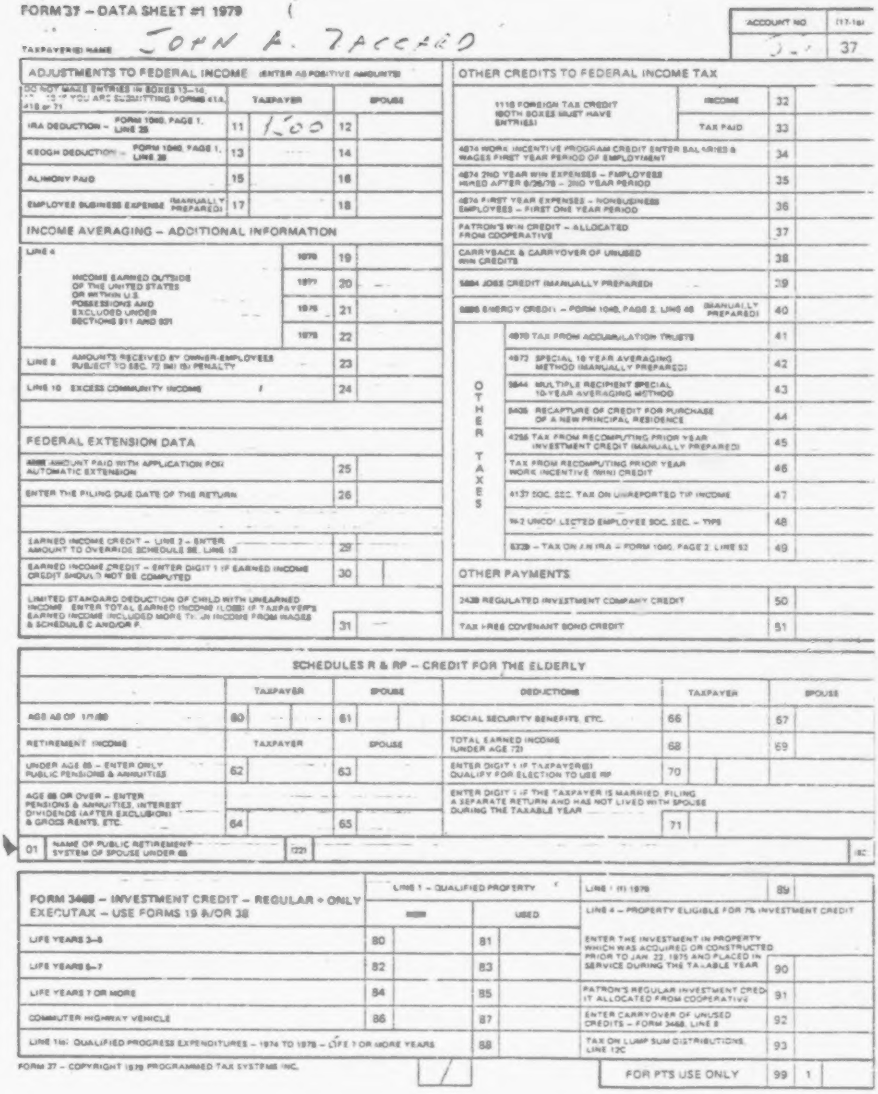
FORM 36 – COPYRIGHT 1978 PROGRAMMED TAX SYSTEMS, INC



FORM 37 – DATA SHEET #1 1979

TAXPAYER(S) NAME JOHN A. ZACCARD

ACCOUNT NO	(17-18)
[illegible]	37

ADJUSTMENTS TO FEDERAL INCOME (ENTER AS POSITIVE AMOUNTS)

DO NOT MAKE ENTRIES IN BOXES 13–14, 17–18 IF YOU ARE SUBMITTING FORMS 41A, 41B or 71		TAXPAYER		SPOUSE
IRA DEDUCTION – FORM 1040, PAGE 1, LINE 25	11	1,500	12	
KEOGH DEDUCTION – FORM 1040, PAGE 1, LINE 26	13		14	
ALIMONY PAID	15		16	
EMPLOYEE BUSINESS EXPENSE (MANUALLY PREPARED)	17		18	

INCOME AVERAGING – ADDITIONAL INFORMATION

LINE 4 INCOME EARNED OUTSIDE OF THE UNITED STATES OR WITHIN U.S. POSSESSIONS AND EXCLUDED UNDER SECTIONS 911 AND 931	1976	19	
	1977	20	
	1978	21	
	1979	22	
LINE 8 AMOUNTS RECEIVED BY OWNER-EMPLOYEES SUBJECT TO SEC. 72 (M) (5) PENALTY		23	
LINE 10 EXCESS COMMUNITY INCOME		24	

FEDERAL EXTENSION DATA

4868 AMOUNT PAID WITH APPLICATION FOR AUTOMATIC EXTENSION	25	
ENTER THE FILING DUE DATE OF THE RETURN	26	
EARNED INCOME CREDIT – LINE 2 – ENTER AMOUNT TO OVERRIDE SCHEDULE SE, LINE 13	29	
EARNED INCOME CREDIT – ENTER DIGIT 1 IF EARNED INCOME CREDIT SHOULD NOT BE COMPUTED	30	
LIMITED STANDARD DEDUCTION OF CHILD WITH UNEARNED INCOME. ENTER TOTAL EARNED INCOME (LOSS) IF TAXPAYER'S EARNED INCOME INCLUDED MORE THAN INCOME FROM WAGES & SCHEDULE C AND/OR F.	31	

OTHER CREDITS TO FEDERAL INCOME TAX

1116 FOREIGN TAX CREDIT (BOTH BOXES MUST HAVE ENTRIES)	INCOME	32	
	TAX PAID	33	
4874 WORK INCENTIVE PROGRAM CREDIT ENTER SALARIES & WAGES FIRST YEAR PERIOD OF EMPLOYMENT		34	
4874 2ND YEAR WIN EXPENSES – EMPLOYEES HIRED AFTER 6/26/78 – 2ND YEAR PERIOD		35	
4874 FIRST YEAR EXPENSES – NONBUSINESS EMPLOYEES – FIRST ONE YEAR PERIOD		36	
PATRON'S WIN CREDIT – ALLOCATED FROM COOPERATIVE		37	
CARRYBACK & CARRYOVER OF UNUSED WIN CREDITS		38	
5884 JOBS CREDIT (MANUALLY PREPARED)		39	
5695 ENERGY CREDIT – FORM 1040, PAGE 2, LINE 46 (MANUALLY PREPARED)		40	

OTHER TAXES	4970 TAX FROM ACCUMULATION TRUSTS	41	
	4972 SPECIAL 10 YEAR AVERAGING METHOD (MANUALLY PREPARED)	42	
	5544 MULTIPLE RECIPIENT SPECIAL 10-YEAR AVERAGING METHOD	43	
	5405 RECAPTURE OF CREDIT FOR PURCHASE OF A NEW PRINCIPAL RESIDENCE	44	
	4255 TAX FROM RECOMPUTING PRIOR YEAR INVESTMENT CREDIT (MANUALLY PREPARED)	45	
	TAX FROM RECOMPUTING PRIOR YEAR WORK INCENTIVE (WIN) CREDIT	46	
	4137 SOC. SEC. TAX ON UNREPORTED TIP INCOME	47	
	W-2 UNCOLLECTED EMPLOYEE SOC. SEC. – TIPS	48	
	5329 – TAX ON AN IRA – FORM 1040, PAGE 2, LINE 52	49	

OTHER PAYMENTS

2439 REGULATED INVESTMENT COMPANY CREDIT	50	
TAX FREE COVENANT BOND CREDIT	51	

SCHEDULES R & RP – CREDIT FOR THE ELDERLY

		TAXPAYER		SPOUSE	DEDUCTIONS		TAXPAYER		SPOUSE
AGE AS OF 1/1/80	60		61		SOCIAL SECURITY BENEFITS, ETC.	66		67	
RETIREMENT INCOME		TAXPAYER		SPOUSE	TOTAL EARNED INCOME (UNDER AGE 72)	68		69	
UNDER AGE 65 – ENTER ONLY PUBLIC PENSIONS & ANNUITIES	62		63		ENTER DIGIT 1 IF TAXPAYER(S) QUALIFY FOR ELECTION TO USE RP	70			
AGE 65 OR OVER – ENTER PENSIONS & ANNUITIES, INTEREST DIVIDENDS (AFTER EXCLUSION) & GROSS RENTS, ETC.	64		65		ENTER DIGIT 1 IF THE TAXPAYER IS MARRIED, FILING A SEPARATE RETURN AND HAS NOT LIVED WITH SPOUSE DURING THE TAXABLE YEAR	71			

01	NAME OF PUBLIC RETIREMENT SYSTEM OF SPOUSE UNDER 65	(22)		(6C)

FORM 3468 – INVESTMENT CREDIT – REGULAR + ONLY EXECUTAX – USE FORMS 19 &/OR 38	LINE 1 – QUALIFIED PROPERTY				LINE 1 (f) 1979	89	
	NEW		USED		LINE 4 – PROPERTY ELIGIBLE FOR 7% INVESTMENT CREDIT		
LIFE YEARS 3–5	80		81		ENTER THE INVESTMENT IN PROPERTY WHICH WAS ACQUIRED OR CONSTRUCTED PRIOR TO JAN. 22, 1975 AND PLACED IN SERVICE DURING THE TAXABLE YEAR	90	
LIFE YEARS 5–7	82		83				
LIFE YEARS 7 OR MORE	84		85		PATRON'S REGULAR INVESTMENT CREDIT ALLOCATED FROM COOPERATIVE	91	
COMMUTER HIGHWAY VEHICLE	86		87		ENTER CARRYOVER OF UNUSED CREDITS – FORM 3468, LINE 8	92	
LINE 1(e): QUALIFIED PROGRESS EXPENDITURES – 1974 TO 1978 – LIFE 7 OR MORE YEARS			88		TAX ON LUMP SUM DISTRIBUTIONS, LINE 12C	93	

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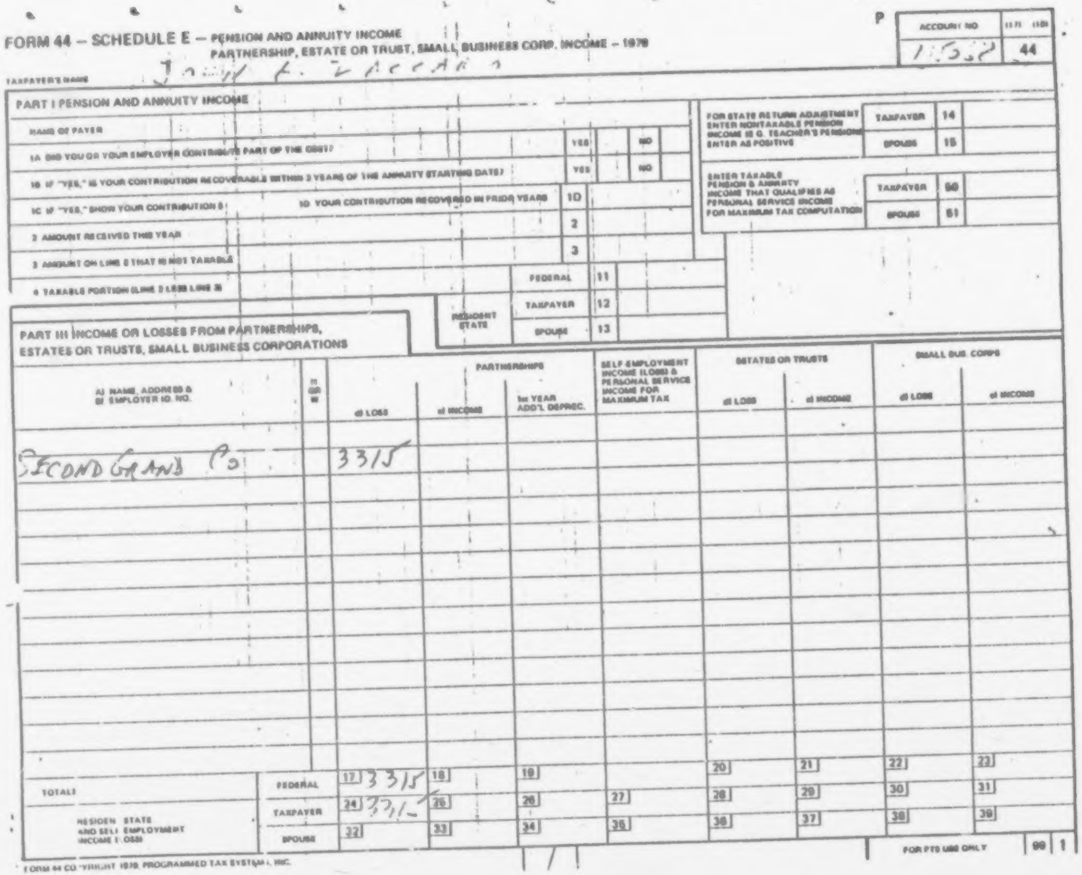

FORM 44 – SCHEDULE E – PENSION AND ANNUITY INCOME
PARTNERSHIP, ESTATE OR TRUST, SMALL BUSINESS CORP. INCOME – 1978

P

ACCOUNT NO	(17) (18)
[illegible]	44

TAXPAYER'S NAME John A. Zaccaro

PART I PENSION AND ANNUITY INCOME

NAME OF PAYER				
1A DID YOU OR YOUR EMPLOYER CONTRIBUTE PART OF THE COST?	YES		NO	
1B IF "YES," IS YOUR CONTRIBUTION RECOVERABLE WITHIN 3 YEARS OF THE ANNUITY STARTING DATE?	YES		NO	
1C IF "YES," SHOW YOUR CONTRIBUTION $ 1D YOUR CONTRIBUTION RECOVERED IN PRIOR YEARS	1D			
2 AMOUNT RECEIVED THIS YEAR	2			
3 AMOUNT ON LINE 2 THAT IS NOT TAXABLE	3			
4 TAXABLE PORTION (LINE 2 LESS LINE 3)		FEDERAL	11	
	RESIDENT STATE	TAXPAYER	12	
		SPOUSE	13	

FOR STATE RETURN ADJUSTMENT ENTER NONTAXABLE PENSION INCOME (E.G. TEACHER'S PENSION) ENTER AS POSITIVE	TAXPAYER	14	
	SPOUSE	15	
ENTER TAXABLE PENSION & ANNUITY INCOME THAT QUALIFIES AS PERSONAL SERVICE INCOME FOR MAXIMUM TAX COMPUTATION	TAXPAYER	50	
	SPOUSE	51	

PART III INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPORATIONS

A) NAME, ADDRESS & B) EMPLOYER ID. NO.			PARTNERSHIPS d) LOSS	e) INCOME	1st YEAR ADD'L DEPREC.	SELF EMPLOYMENT INCOME (LOSS) & PERSONAL SERVICE INCOME FOR MAXIMUM TAX	ESTATES OR TRUSTS d) LOSS	e) INCOME	SMALL BUS. CORPS d) LOSS	e) INCOME
SECOND GRAND Co			3315							
TOTALS		FEDERAL	17 3315	18	19		20	21	22	23
RESIDENT STATE AND SELF EMPLOYMENT INCOME (LOSS)		TAXPAYER	24 [illegible]	25	26	27	28	29	30	31
		SPOUSE	32	33	34	35	36	37	38	39

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FORM 44 COPYRIGHT 1978, PROGRAMMED TAX SYSTEMS, INC.

FORM 51 – SCHEDULE E – PART II – RENT & ROYALTY INCOME – 1979

P

ACCOUNT NO.	(17) (18)
115061	51

TAXPAYER'S NAME JOHN A. ZACCARO

KIND AND LOCATION OF PROPERTY IF RESIDENTIAL, ALSO WRITE "R"	A.	BUILDING
	B.	353 BROOME ST NYC
	C.	
	D.	

	A	B	C	D	TOTALS
INCOME	500				
GROSS RENTS					
GROSS ROYALTIES					
TOTAL INCOME					
EXPENSES					
DEPRECIATION					
OPERATING COSTS – BUILDING PAYROLL					
REPAIRS AND MAINTENANCE	70				
UTILITIES	31				
TELEPHONE					
MISC.	1.				
MANAGEMENT – COMMISSIONS					
OFFICE SALARIES					
PROFESSIONAL FEES	50				
TAXES – REAL ESTATE	407				
PAYROLL					
WATER					
OTHER					
OTHER – MORTGAGE INTEREST	176				
MORTGAGE COSTS – AMORTIZATION					
INSURANCE					
TOTAL EXPENSES	735				
LESS FOR OWNER'S USE (%)					
ALLOWABLE EXPENSES	(735)	( )	( )	( )	( )
NET INCOME					
NET LOSS	(235)	( )	( )	( )	( )

TOTAL NET INCOME (OR LOSS)		FEDERAL	53	(235)
	RESIDENT STATE	TAXPAYER	54	(235)
		SPOUSE	55	

DEPRECIATION SCHEDULE IF YOU NEED MORE SPACE USE FORM 4562.

(A) DESCRIPTION OF PROPERTY	(B) DATE ACQUIRED	(C) COST OR OTHER BASIS	(D) DEPRECIATION ALLOWED OR ALLOWABLE IN PRIOR YEARS	(E) METHOD OF COMPUTING DEPRECIATION	(F) LIFE OR RATE	(G) DEPRECIATION FOR THIS YEAR
1. TOTAL ADDITIONAL FIRST-YEAR DEPRECIATION (DO NOT INCLUDE IN ITEMS BELOW) →						
2. TOTALS						

ENTER DIGIT 1 IF TAXPAYER IS CLAIMING EXPENSES IN CONNECTION WITH A VACATION HOME RENTED TO OTHERS 61

DID TAXPAYER OR A MEMBER OF HIS FAMILY OCCUPY THE VACATION HOME FOR MORE THAN 14 DAYS DURING THE YEAR? 62

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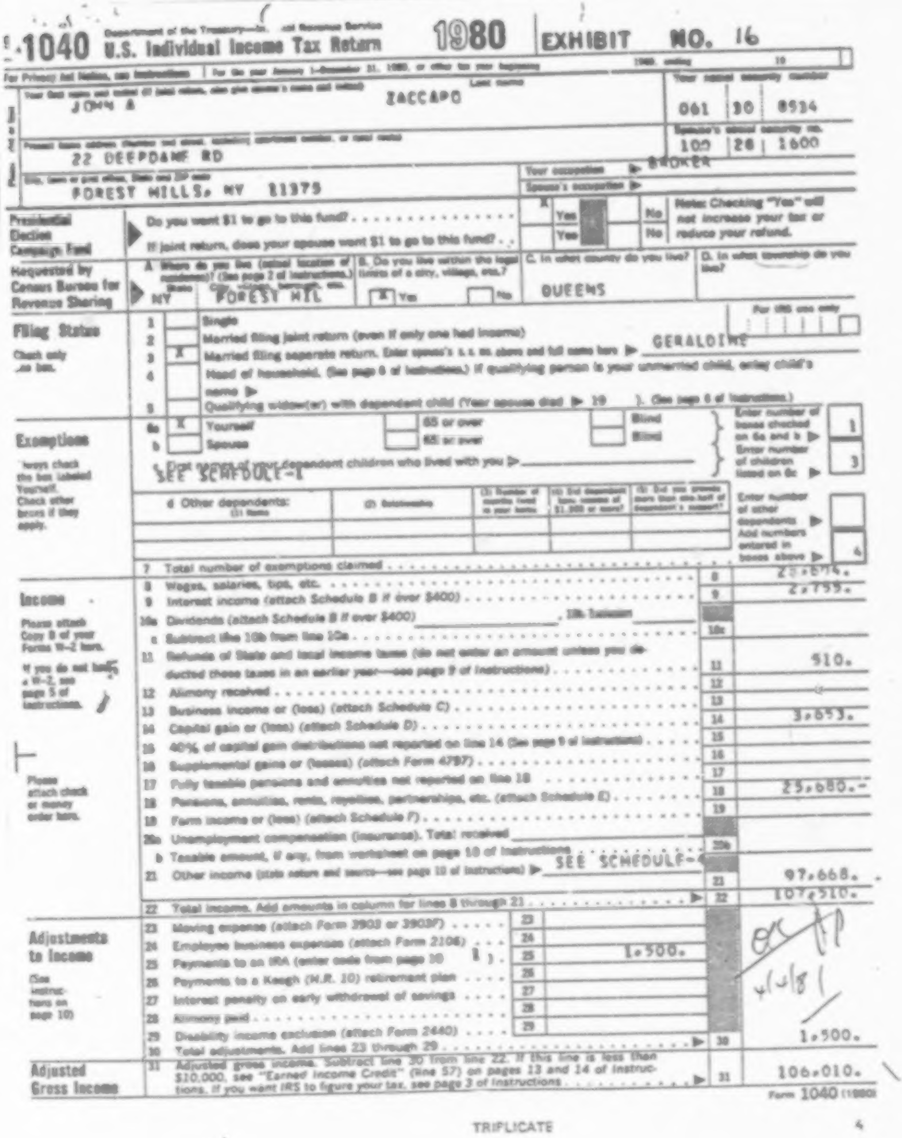

1040 Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return **1980**

EXHIBIT NO. 16

For Privacy Act Notice, see Instructions | For the year January 1–December 31, 1980, or other tax year beginning , 1980, ending , 19

Your first name and initial (if joint return, also give spouse's name and initial): JOHN A
Last name: ZACCARO
Your social security number: 061 30 8534
Present home address (Number and street, including apartment number, or rural route): 22 DEEPDALE RD
Spouse's social security no.: 100 28 1600
City, town or post office, State and ZIP code: FOREST HILLS, NY 11375
Your occupation ▶ BROKER
Spouse's occupation ▶

Presidential Election Campaign Fund ▶ Do you want $1 to go to this fund? ☒ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☐ Yes ☐ No
Note: Checking "Yes" will not increase your tax or reduce your refund.

Requested by Census Bureau for Revenue Sharing ▶
A. Where do you live (actual location of residence)? (See page 2 of Instructions.) State: NY City, village, borough, etc.: FOREST HIL
B. Do you live within the legal limits of a city, village, etc.? ☒ Yes ☐ No
C. In what county do you live? QUEENS
D. In what township do you live?

Filing Status Check only one box.
1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Enter spouse's s.s. no. above and full name here ▶ GERALDINE
4 ☐ Head of household. (See page 6 of Instructions.) If qualifying person is your unmarried child, enter child's name ▶
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions.)

Exemptions Always check the box labeled Yourself. Check other boxes if they apply.
6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1
c First names of your dependent children who lived with you ▶ SEE SCHEDULE-1
Enter number of children listed on 6c ▶ 3

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶
Add numbers entered in boxes above ▶ 4
7 Total number of exemptions claimed

Income Please attach Copy B of your Forms W-2 here. If you do not have a W-2, see page 5 of Instructions.
Please attach check or money order here.

8 Wages, salaries, tips, etc.	8	25,674.
9 Interest income (attach Schedule B if over $400)	9	2,755.
10a Dividends (attach Schedule B if over $400) , 10b Exclusion		
c Subtract line 10b from line 10a	10c	
11 Refunds of State and local income taxes (do not enter an amount unless you deducted those taxes in an earlier year—see page 9 of Instructions)	11	510.
12 Alimony received	12	-0-
13 Business income or (loss) (attach Schedule C)	13	
14 Capital gain or (loss) (attach Schedule D)	14	3,653.
15 40% of capital gain distributions not reported on line 14 (See page 9 of Instructions)	15	
16 Supplemental gains or (losses) (attach Form 4797)	16	
17 Fully taxable pensions and annuities not reported on line 18	17	
18 Pensions, annuities, rents, royalties, partnerships, etc. (attach Schedule E)	18	25,680.-
19 Farm income or (loss) (attach Schedule F)	19	
20a Unemployment compensation (insurance). Total received		
b Taxable amount, if any, from worksheet on page 10 of Instructions	20b	
21 Other income (state nature and source—see page 10 of Instructions) ▶ SEE SCHEDULE-4	21	97,668.
22 Total income. Add amounts in column for lines 8 through 21 ▶	22	107,510.

Adjustments to Income (See Instructions on page 10)

23 Moving expense (attach Form 3903 or 3903F)	23	
24 Employee business expenses (attach Form 2106)	24	
25 Payments to an IRA (enter code from page 10 I)	25	1,500.
26 Payments to a Keogh (H.R. 10) retirement plan	26	
27 Interest penalty on early withdrawal of savings	27	
28 Alimony paid	28	
29 Disability income exclusion (attach Form 2440)	29	
30 Total adjustments. Add lines 23 through 29 ▶	30	1,500.

Adjusted Gross Income

31 Adjusted gross income. Subtract line 30 from line 22. If this line is less than $10,000, see "Earned Income Credit" (line 57) on pages 13 and 14 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions ▶	31	106,010.

ec JP
4/6/81

Form 1040 (1980)

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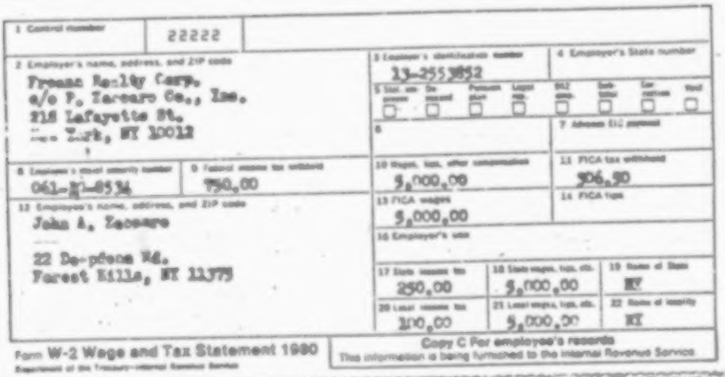


1 Control number 22222

2 Employer's name, address, and ZIP code
Freman Realty Corp.
c/o P. Zaccaro Co., Inc.
218 Lafayette St.
New York, NY 10012

3 Employer's identification number 13-2553852

4 Employer's State number

5 Stat. employee ☐ Deceased ☐ Pension plan ☐ Legal rep. ☐ 942 emp. ☐ Sub-total ☐ Correction ☐ Void ☐

6

7 Advance EIC payment

8 Employee's social security number 061-30-8534

9 Federal income tax withheld 750.00

10 Wages, tips, other compensation 5,000.00

11 FICA tax withheld 306.50

12 Employee's name, address, and ZIP code
John A. Zaccaro

22 Deepdene Rd.
Forest Hills, NY 11375

13 FICA wages 5,000.00

14 FICA tips

16 Employer's use

17 State income tax 250.00

18 State wages, tips, etc. 5,000.00

19 Name of State NY

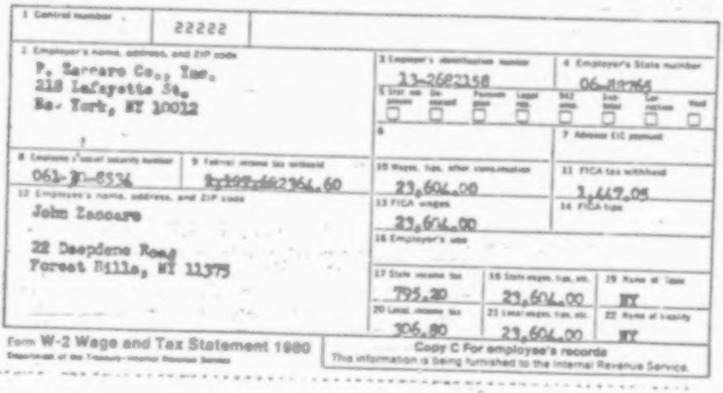
20 Local income tax 100.00

21 Local wages, tips, etc. 5,000.00

22 Name of locality NY

Form W-2 Wage and Tax Statement 1980
Department of the Treasury—Internal Revenue Service

Copy C For employee's records
This information is being furnished to the Internal Revenue Service.



1 Control number 22222

2 Employer's name, address, and ZIP code
P. Zaccaro Co., Inc.
218 Lafayette St.
New York, NY 10012

3 Employer's identification number 13-2682358

4 Employer's State number 06-80766

5 Stat. employee ☐ Deceased ☐ Pension plan ☐ Legal rep. ☐ 942 emp. ☐ Sub-total ☐ Correction ☐ Void ☐

6

7 Advance EIC payment

8 Employee's social security number 061-30-8534

9 Federal income tax withheld ~~2,102.46~~2364.60

10 Wages, tips, other compensation 23,604.00

11 FICA tax withheld 1,447.05

12 Employee's name, address, and ZIP code
John Zaccaro

22 Deepdene Road
Forest Hills, NY 11375

13 FICA wages 23,604.00

14 FICA tips

16 Employer's use

17 State income tax 795.20

18 State wages, tips, etc. 23,604.00

19 Name of State NY

20 Local income tax 306.80

21 Local wages, tips, etc. 23,604.00

22 Name of locality NY

Form W-2 Wage and Tax Statement 1980
Department of the Treasury—Internal Revenue Service

Copy C For employee's records
This information is being furnished to the Internal Revenue Service.

Form 1040 (1980) Page **2**

Tax Compu-tation (See Instruc-tions on page 11)	32 Amount from line 31 (adjusted gross income)			32	106,010.
	33 If you do not itemize deductions, enter zero If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 41 Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 11 of the Instructions. Also see page 11 of the Instructions if: • You are married filing a separate return and your spouse itemizes deductions, OR • You file Form 4563, OR • You are a dual-status alien.			33	25,348.
	34 Subtract line 33 from line 32. Use the amount on line 34 to find your tax from the Tax Tables, or to figure your tax on Schedule TC, Part I Use Schedule TC, Part I, and the Tax Rate Schedules ONLY if: • Line 34 is more than $20,000 ($40,000 if you checked Filing Status Box 2 or 5), OR • You have more exemptions than are shown in the Tax Table for your filing status, OR • You use Schedule G or Form 4726 to figure your tax. Otherwise, you MUST use the Tax Tables to find your tax.			34	80,662.
	35 Tax. Enter tax here and check if from ☐ Tax Tables or ☐ Schedule TC			35	35,973.
	36 Additional taxes. Check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, ☐ Form 5405, or ☐ Section 72(m)(5) penalty tax (See page 12 of Instructions.)			36	
	37 Total. Add lines 35 and 36 ▶			37	35,973.
Credits (See Instruc-tions on page 12)	38 Credit for contributions to candidates for public office	38	50.		
	39 Credit for the elderly (attach Schedules R&RP)	39			
	40 Credit for child and dependent care expenses (attach Form 2441)	40			
	41 Investment credit (attach Form 3468)	41			
	42 Foreign tax credit (attach Form 1116)	42			
	43 Work incentive (WIN) credit (attach Form 4874)	43			
	44 Jobs credit (attach Form 5884)	44			
	45 Residential energy credits (attach Form 5695)	45			
	46 Total credits. Add lines 38 through 45			46	50.
	47 Balance. Subtract line 46 from line 37 and enter difference (but not less than zero) ▶			47	35,923.
Other Taxes (Including Advance EIC Payments)	48 Self-employment tax (attach Schedule SE)			48	
	49a Minimum tax. Attach Form 4625 and check here ▶ ☐			49a	
	49b Alternative minimum tax. Attach Form 6251 and check here ▶ ☐			49b	
	50 Tax from recomputing prior-year investment credit (attach Form 4255)			50	
	51a Social security (FICA) tax on tip income not reported to employer (attach Form 4137)			51a	
	51b Uncollected employee FICA and RRTA tax on tips (from Form W-2)			51b	
	52 Tax on an IRA (attach Form 5329)			52	
	53 Advance earned income credit (EIC) payments received (from Form W-2)			53	
	54 Balance. Add lines 47 through 53 ▶			54	35,923.
Payments Attach Forms W-2, W-2G, and W-2P to front.	55 Total Federal income tax withheld	55	3,115.		
	56 1980 estimated tax payments and amount applied from 1979 return	56	20,000.		
	57 Earned income credit. If line 32 is under $10,000, see pages 13 and 14 of Instructions	57			
	58 Amount paid with Form 4868	58			
	59 Excess FICA and RRTA tax withheld (two or more employers)	59	166.		
	60 Credit for Federal tax on special fuels and oils (attach Form 4136 or 4136-T)	60			
	61 Regulated Investment Company credit (attach Form 2439)	61			
	62 Total. Add lines 55 through 61 ▶			62	23,281.
Refund or Balance Due	63 If line 62 is larger than line 54, enter amount OVERPAID ▶			63	
	64 Amount of line 63 to be REFUNDED TO YOU ▶			64	
	65 Amount of line 63 to be applied to your 1981 estimated tax ▶	65			
	66 If line 54 is larger than line 62, enter BALANCE DUE. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number on check or money order ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached. ▶ $			66	12,642.

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Use Only	Preparer's signature and date ▶	Check if self-employed ▶ ☐	Preparer's social security no. 062 07 4105
	Firm's name (or yours, if self-employed) and address ▶ SELGER & BRESSMAN CPA 60 E 42ND STREET NEW YORK NY		E.I. No. ▶ 11-240859 ZIP code ▶ 10017

TRIPLICATE

Form **2210**
Department of the Treasury
Internal Revenue Service

Underpayment of Estimated Tax by Individuals

▶ Attach to Form 1040. ▶ See Instructions on back.

1980 ☐

Name(s) as shown on Form 1040: JOHN A ZACCARO

Social security number: 061 30 8534

Part I How to Figure Your Underpayment (Complete lines 1 through 16)

If you meet any of the exceptions to the underpayment penalty for ALL four periods, skip lines 1 through 16 and go directly to line 17.

1 1980 tax (from Form 1040, line 54)		35,923.
2 Earned income credit (from Form 1040, line 57)		▨
3 Tax credit for special fuels and oils (from Form 1040, line 60)		▨
4 Minimum tax (from Form 1040, line 49A)		▨
5 Alternative minimum tax (from Form 1040, line 49B)		▨
6 Social security (FICA) tax on unreported tip income (from Form 1040, line 51A)		▨
7 Uncollected employee FICA and RRTA tax on tips (from Form 1040, line 51B)		▨
8 Tax on an IRA (from Form 5329, Part I or III included on Form 1040, line 52)		▨
9 Total (add lines 2 through 8)		
10 Balance (subtract line 9 from line 1)		35,923.
11 Enter 80% of the amount shown on line 10		28,738.

	Payment Due Dates			
	(a)	(b)	(c)	(d)
12 Divide amount on line 11 by the number of payments required for the year. Enter the result in appropriate columns	4/15/80 7,185.	6/16/80 7,185.	9/15/80 7,184.	1/16/81 7,184.
13 Amounts paid on estimated tax and tax withheld	778.	778.	779.	20,779.
14 Overpayment (on line 16) from previous period	▨			
15 Total (add lines 13 and 14)	778.	778.	779.	20,779.
16 Underpayment (subtract line 15 from line 12) OR Overpayment (subtract line 12 from line 15)	6,407.	6,407.	6,405.	13,595.-

Part II Exceptions to the Penalty (Farmers and fishermen, see Instruction A for special exception)

17 Total amount paid and withheld from January 1 through the payment due date shown	778.	1,556.	2,335.	23,114.
18 Exception 1.—1979 tax . . . ▶ $ 21,628.	25% of 1979 tax 5,407.	50% of 1979 tax 10,814.	75% of 1979 tax 16,221.	100% of 1979 tax 21,628.
19 Exception 2.—Tax on 1979 income using 1980 rates and exemptions (attach computation)	Enter 25% of tax	Enter 50% of tax	Enter 75% of tax	Enter 100% of tax
20 Exception 3.—Tax on annualized 1980 income (see worksheet on back)	Enter 20% of tax	Enter 40% of tax	Enter 60% of tax	Exceptions Not Applicable
21 Exception 4.—Tax on 1980 income over 3, 5, and 8-month periods (attach computation)	Enter 90% of tax	Enter 90% of tax	Enter 90% of tax	

Part III How to Figure the Penalty (Complete lines 22 through 26 if none of the exceptions in Part II apply.)

22 Amount of underpayment (from line 16)	6,407.	6,407.	6,405.	
23 Date of payment or APR 15, 1981 whichever is earlier	4/15/81	4/15/81	4/15/81	4/15/81
24 Number of days from due date of payment to the date on line 23	365.	304.	212.	90.
25 $\frac{\text{Number of days on line 24}}{365}$ × 12% × amount on line 22	769.	640.	446.	
26 Penalty (add amounts on line 25). Check the box below line 66 on Form 1040 and show this amount in the space provided. If you owe tax on line 66 include the penalty amount in with your total payment. If you are due a refund, we will subtract the penalty amount from the amount on line 63				1,855.

TRIPLICATE

Schedules A&B—Itemized Deductions AND Interest and Dividend Income

(Form 1040)

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

1980

08

Name(s) as shown on Form 1040: JOHN A ZACCARD

Your social security number: 061 30 5534

Schedule A—Itemized Deductions

Medical and Dental Expenses (not paid or reimbursed by insurance or otherwise) *(See page 16 of Instructions.)*

1 One-half (but not more than $150) of insurance premiums you paid for medical care. (Be sure to include in line 10 below.) . . ▶		150.
2 Medicine and drugs .		
3 Enter 1% of Form 1040, line 31 . . .	1,060.	
4 Subtract line 3 from line 2. If line 3 is more than line 2, enter zero		0.
5 Balance of insurance premiums for medical care not entered on line 1		150.
6 Other medical and dental expenses:		
a Doctors, dentists, nurses, etc.		
b Hospitals		
c Other (itemize—include hearing aids, dentures, eyeglasses, transportation, etc.) ▶		
7 Total (add lines 4 through 6c)		150.
8 Enter 3% of Form 1040, line 31		3,180.
9 Subtract line 8 from line 7. If line 8 is more than line 7, enter zero		0.
10 Total medical and dental expenses (add lines 1 and 9). Enter here and on line 33 . . ▶		150.

Taxes *(See page 17 of Instructions.)*

Note: Gasoline taxes are no longer deductible.

11 State and local income	13,452.
12 Real estate	3,868.
13 General sales (see sales tax tables)	1,072.
14 Personal property	
15 Other (itemize) ▶	
16 Total taxes (add lines 11 through 15). Enter here and on line 34 . . . . . ▶	18,392.

Interest Expense *(See page 17 of Instructions.)*

17 Home mortgage	946.
18 Credit and charge cards	
19 Other (itemize) ▶ SEE SCHEDULE-11	5,320.
20 Total interest expense (add lines 17 through 19). Enter here and on line 35 . . ▶	6,266.

Contributions *(See page 17 of Instructions.)*

21 a Cash contributions for which you have receipts or cancelled checks	1,940.
b Other cash contributions (show to whom you gave and how much you gave) ▶	
22 Other than cash (see page 17 of Instructions for required statement)	
23 Carryover from prior years	
24 Total contributions (add lines 21a through 23). Enter here and on line 36 . . . ▶	1,940.

Casualty or Theft Loss(es) *(See page 18 of Instructions.)*

25 Loss before insurance reimbursement . . .	
26 Insurance reimbursement	
27 Subtract line 26 from line 25. If line 26 is more than line 25, enter zero	
28 Enter $100 or amount from line 27, whichever is smaller	
29 Total casualty or theft loss(es) (subtract line 28 from line 27). Enter here and on line 37 . . ▶	

Miscellaneous Deductions *(See page 18 of Instructions.)*

30 Union dues	
31 Other (itemize) ▶ SEE SCHEDULE-17	300.
32 Total miscellaneous deductions (add lines 30 and 31). Enter here and on line 38 . ▶	300.

Summary of Itemized Deductions **A**

(See page 19 of Instructions.)

33 Total medical and dental—from line 10 . . .	150.
34 Total taxes—from line 16	18,392.
35 Total interest—from line 20	6,266.
36 Total contributions—from line 24	1,940.
37 Total casualty or theft loss(es)—from line 29 . . .	
38 Total miscellaneous—from line 32	300.
39 Add lines 33 through 38	27,048.
40 If you checked Form 1040, Filing Status box: 2 or 5, enter $3,400 . . . . 1 or 4, enter $2,300 . . . . 3, enter $1,700	1,700.
41 Subtract line 40 from line 39. Enter here and on Form 1040, line 33. (If line 40 is more than line 39, see the Instructions for line 41 on page 19 . . . . ▶	25,348.

TRIPLICATE

115084-5034-02 2/21/79

Schedules A&B (Form 1040) 1980 Schedule B—Interest and Dividend Income Page 2

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 361 30 8534 ☐

Part I Interest Income

1 If you received more than $400 in interest, complete Part I and Part III. Please see page 9 of the instructions to find out what interest to report. Then answer the questions in Part III, below. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 10 of the instructions.

Name of payer	Amount
SEE SCHEDULE 6	

2 Total interest income. Enter here and on Form 1040, line 9 . . . . 2,755.–

Part II Dividend Income

3 If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, complete Part II and Part III. Please see page of the instructions. Write (H), (W), or (J), for stock held by husband, wife, or jointly. Then answer the questions in Part III, below. If you received dividends as a nominee for another, please see page 19 of the instructions.

Name of payer	Amount

4 Total of line 3 . . . .

5 Capital gain distributions, Enter here and on line 13 Schedule D. See note below. . . . . .

6 Nontaxable distributions . . . .

7 Total (add lines 5 and 6) . . . .

8 Dividends before exclusion (subtract line 7 from line 4). Enter here and on Form 1040, line 10a . . . .

B

Note: If you received capital gain distributions for the year and you do not need Schedule D to report any other gains or losses, do not file that schedule. Instead, enter 40% of your capital gain distributions on Form 1040, line 15

Part III Foreign Accounts and Foreign Trusts

If you are required to list interest in Part I or dividends in Part II, OR if you had a foreign account or were a grantor of, or a transferor to a foreign trust, you must answer both questions in Part III. Please see page 19 of the instructions.

	Yes	No
A At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country (see page 15 of instructions)?		X
B Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A, or 926.		X

TRIPLICATE

115068-90??-02 202174

SCHEDULE D
(Form 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similiar investments, and gains (but not losses) on personal assets such as a home or jewelry.)

▶ Attach to Form 1040. ▶ See instructions for Schedule D (Form 1040).

1980
15

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061 30 8574

D

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less

	a. Kind of property and description (Example, 100 shares 7% preferred of "Z" Co.)	b. Date acquired Mo.	day	yr.	c. Date sold Mo.	day	yr.	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 21)	f. LOSS If column (e) is more than (d) subtract (d) from (e)	g. GAIN If column (d) is more than (e) subtract (e) from (d)
1											

2 Gain from sale or exchange of a principal residence held one year or less, from Form 2119, lines 7 or 11	2	▨	
3 Enter your share of net short-term gain or (loss) from partnerships and fiduciaries	3		
4 Add lines 1, 2 and 3 in column f and column g	4		
5 Combine line 4, column f and line 4, column g and enter the net gain or (loss)	5		
6 Short-term capital loss carryover from years beginning after 1969	6		(
7 Net short-term gain or (loss), combine lines 5 and 6	7		

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year

	a.	b. Mo.	day	yr.	c. Mo.	day	yr.	d.	e.	f.	g.
8											
				SEE FORM 36							9,133.

9 Gain from sale or exchange of a principal residence held more than one year, from Form 2119, lines 7, 11, or 18	9	▨	
10 Enter your share of net long-term gain or (loss) from partnerships and fiduciaries	10		
11 Add lines 8, 9 and 10 in column f and column g	11		9,133.
12 Combine line 11, column f and line 11, column g and enter the net gain or (loss)	12		9,133.
13 Capital gain distributions	13		
14 Enter gain, if applicable, from Form 4797, line 5(a)(1)	14		
15 Enter your share of net long-term gain from small business corporations (Subchapter S)	15		
16 Combine lines 12 through 15	16		9,133.
17 Long-term capital loss carryover from years beginning after 1969	17		(
18 Net long-term gain or (loss), combine lines 16 and 17	18		9,133.

Note: *If you have capital loss carryovers from years beginning before 1970, do not complete rest of form. See Form 4798 instead. Otherwise, complete this form on reverse.*

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Part III Summary of Parts I and II

19	Combine lines 7 and 18, and enter the net gain or (loss) here	19	9,133.
20	If line 19 shows a gain—		
	a Enter 60% of line 18 or 60% of line 19, whichever is smaller. Enter zero if there is a loss or no entry on line 18	20a	5,480.
	If the amount you enter on this line is other than zero, you may be liable for the alternative minimum tax. See Form 6251.		
	b Subtract line 20a from line 19. Enter here and on Form 1040, line 14	20b	3,653.
21	If line 19 shows a loss—		
	a Enter one of the following amounts: (i) If line 7 is zero or a net gain, enter 50% of line 19, (ii) If line 18 is zero or a net gain, enter line 19; or, (iii) If line 7 and line 18 are net losses, enter amount on line 7 added to 50% of the amount on line 18	21a	
	b Enter here and enter as a loss on Form 1040, line 14, the smallest of: (i) The amount on line 21a, (ii) $3,000 ($1,500 if married and filing a separate return); or, (iii) Taxable income, as adjusted	21b	
	Note: *If the loss on line 21a is more than the loss shown on line 21b, complete Part IV to determine post-1969 capital loss carryover from 1980 to 1981.*		▨

Part IV Computation of Post-1969 Capital Loss Carryovers from 1980 to 1981

(Complete this part if the loss on line 21a is more than the loss shown on line 21b)

Section A.—Short-term Capital Loss Carryover

22	Enter loss shown on line 7; if none, enter zero and skip lines 23 through 27—then go to line 28	22	
23	Enter gain shown on line 18. If that line is blank or shows a loss, enter zero	23	
24	Reduce any loss on line 22 to the extent of any gain on line 23	24	
25	Enter amount shown on line 21b	25	
26	Enter smaller of line 24 or 25	26	
27	Subtract line 26 from line 24	27	
	Note: *The amount on line 27 is the part of your short-term capital loss carryover from 1980 to 1981 that is from years beginning after 1969.*		▨

Section B.—Long-term Capital Loss Carryover

28	Subtract line 26 from line 25. (**Note:** *If you skipped lines 23 through 27, enter amount from line 21b*)	28	
29	Enter loss from line 18; if none, enter zero and skip lines 30 through 33	29	
30	Enter gain shown on line 7. If that line is blank or shows a loss, enter zero	30	
31	Reduce any loss on line 29 to the extent of any gain on line 30	31	
32	Multiply amount on line 28 by 2	32	
33	Subtract line 32 from line 31	33	
	Note: *The amount on line 33 is the part of your long-term capital loss carryover from 1980 to 1981 that is from years beginning after 1969.*		▨

115068-4039-02

SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

Supplemental Income Schedule

(From pensions and annuities, rents and royalties, partnerships, estates and trusts, etc.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule E (Form 1040).

1980

16

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061 30 8534

Part I Pension and Annuity Income. If fully taxable, do not complete this part. Enter amount on Form 1040, line 17. For one pension or annuity not fully taxable, complete this part. If you have more than one pension or annuity that is not fully taxable, attach a separate sheet listing each one with the appropriate data and enter combined total of taxable parts on line 4.

1a	Did you and your employer contribute to the pension or annuity?		___ Yes ___ No
b	If "Yes," do you expect to get back your contribution within 3 years from the date you receive the first payment?		___ Yes ___ No
c	If "Yes," show: Your contribution ▶ $ ________ , d Contribution received in prior years ▶	1d	
	Amount received this year	2	
3	Amount on line 2 that is not taxable	3	
4	Taxable part (subtract line 3 from line 2). Enter here and include in line 18 below	4	

Part II Rent and Royalty Income or Loss. If you need more space, attach a separate sheet.

5a	Are any of the expenses listed below for a vacation home or similar dwelling rented to others (see instructions)?	☐ Yes ☐ No
b	If "Yes," did you or a member of your family occupy the vacation home or similar dwelling for more than 14 days during the tax year?	___ Yes ___ No
6a	Did you elect to claim amortization (under section 191) or depreciation (under section 167(o)) for a rehabilitated certified historic structure (see instructions)?	___ Yes ___ No
b	Amortizable basis (see instructions) ▶	

(a) Property code (describe in Part V)	(b) Total amount of rents	(c) Total amount of royalties	(d) Depreciation (explain in Part VI) or depletion (attach computation)	(e) Other expenses (explain in Part VII)	(f) Net loss	(g) Net income
Property A						
Property B						
Property C						
7 Amounts from Form 4835		▨				
8 Totals					( )	

9 Total rent and royalty income or (loss). Combine amounts in columns (f) and (g), line 8. Enter here and include in line 18 below . . . 9

Part III Income or Losses from—

	(a) Name	(b) Employer identification number	(c) Net loss	(d) Net income
Partnerships	SEE FORM 44			
	10 Add amounts in columns (c) and (d) and enter here	10	(25,680)	
	11 Combine amounts in columns (c) and (d), line 10, and enter net income or (loss)		11	25,680 -
	12 Additional first-year depreciation (see instructions for limitations)		12	( )
	13 Total partnership income or (loss). Combine lines 11 and 12. Enter here and include in line 18 below		13	25,680 -
Estates or Trusts				
	14 Add amounts in columns (c) and (d) and enter here	14	( )	
	15 Total estate or trust income or (loss). Combine amounts in columns (c) and (d), line 14. Enter here and include in line 18 below		15	
Small Business Corporations				
	16 Add amounts in columns (c) and (d) and enter here	16	( )	
	17 Total small business corporation income or (loss). Combine amounts in columns (c) and (d), line 16. Enter here and include in line 18 below		17	

Part IV

18	TOTAL income or (loss). Combine lines 4, 9, 13, 15, and 17. Enter here and on Form 1040, line 18 ▶	18	25,680 -
19	Farmers and fishermen: Enter your share of gross farming and fishing income applicable to Parts II and III	19	

E

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SCHEDULE G
(Form 1040)
Department of the Treasury
Internal Revenue Service

Income Averaging

▶ See instructions on back.
▶ Attach to Form 1040.

1980
21 ☐

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061 30 8534

Base Period Income and Adjustments	(a) 1st preceding base period year 1979	(b) 2d preceding base period year 1978	(c) 3rd preceding base period year 1977	(d) 4th preceding base period year 1976
1 Enter amount from: Form 1040 (1977, 1978, and 1979)—line 34 Form 1040A (1977 and 1978)—line 10 Form 1040A (1979)—line 11	58,448.	52,562.	21,378.	
2 a Multiply $750 by your total number of exemptions in 1977 and 1978		3,000.	3,000.	
b Multiply $1,000 by your total number of exemptions in 1979	4,000.			
3 Taxable income (subtract line 2a or 2b from line 1). If less than zero, enter zero	54,448.	49,562.	18,378.	6,094.
4 Income earned outside of the United States or within U.S. possessions and excluded under sections 911 and 931				
5 On your 1980 Form 1040, if you checked box {2 or 5 enter $3,200 / 1 or 4 enter $2,200 / 3 enter $1,600} {in column (d)}				1,600.
6 Base period income (add lines 3, 4 and 5)	54,448.	49,562.	18,378.	7,694.

Computation of Averageable Income

7 Taxable income for 1980 from Schedule TC (Form 1040), Part I, line 3	7	76,662.		
8 Certain amounts received by owner-employees subject to a penalty under section 72(m)(5)	8			
9 Subtract line 8 from line 7	9	76,662.		
10 Excess community income	10			
11 Adjusted taxable income (subtract line 10 from line 9). If less than zero, enter zero			11	76,662.
12 Add columns (a) through (d), line 6, and enter here	12	130,082.		
13 Enter 30% of line 12			13	39,025.
14 Averageable income (subtract line 13 from line 11)			14	37,637.

If line 14 is $3,000 or less, do not complete the rest of this form. You do not qualify for income averaging.

G

Computation of Tax

15 Amount from line 13			15	39,025.
16 20% of line 14			16	7,527.
17 Total (add lines 15 and 16)			17	46,552.
18 Excess community income from line 10			18	
19 Total (add lines 17 and 18)			19	46,552.
20 Tax on amount on line 19 (see caution below)			20	18,965.
21 Tax on amount on line 17 (see caution below)	21	18,965.		
22 Tax on amount on line 15 (see caution below)	22	14,713.		
23 Subtract line 22 from line 21	23	4,252.		
24 Multiply the amount on line 23 by 4			24	17,008.
Note: *If no entry was made on line 8 above, skip lines 25 through 27 and go to line 28.*				
25 Tax on amount on line 7 (see caution below)	25			
26 Tax on amount on line 9 (see caution below)	26			
27 Subtract line 26 from line 25			27	
28 Tax (add lines 20, 24, and 27). Enter here and on Schedule TC (Form 1040), Part I, line 4 and check Schedule G box			28	35,973.

Caution: Use Tax Rate Schedule X, Y or Z from the Form 1040 instructions to figure your tax on lines 20, 21, 22, 25 and 26. Do not use the tax tables.

TRIPLICATE

113088-3034-02 [illegible]

SCHEDULE SE
(Form 1040)
Department of the Treasury
Internal Revenue Service

Computation of Social Security Self-Employment Tax

▶ See Instructions for Schedule SE (Form 1040).
▶ Attach to Form 1040.

1980
23 ☐

Name of self-employed person (as shown on social security card)	Social security number of self-employed person ▶
JOHN A ZACCARO	061 3C 8534

Part I — Computation of Net Earnings from FARM Self-employment

Regular Method		
1 Net profit or (loss) from:		
a Schedule F (Form 1040)	1a	
b Farm partnerships	1b	
2 Net earnings from farm self-employment (add lines 1a and 1b)	2	
Farm Optional Method		
3 If gross profits from farming are: a Not more than $2,400, enter two-thirds of the gross profits b More than $2,400 and the net farm profit is less than $1,600, enter $1,600	3	
4 Enter here and on line 12a, the amount on line 2, or line 3 if you elect the farm optional method	4	

Part II Computation of Net Earnings from NONFARM Self-employment

SE

Regular Method		
5 Net profit or (loss) from:		
a Schedule C (Form 1040)	5a	
b Partnerships, joint ventures, etc. (other than farming)	5b	
c Service as a minister, member of a religious order, or a Christian Science practitioner. (Include rental value of parsonage or rental allowance furnished.) If you filed Form 4361 and have not revoked that exemption, check here ▶ ☐ and enter zero on this line	5c	
d Service with a foreign government or international organization	5d	
e Other (specify) ▶ SEE SCHEDULE 4	5e	95,976.
6 Total (add lines 5a through 5e)	6	95,976.
7 Enter adjustments if any (attach statement, see page 29 of Instructions)	7	
8 Adjusted net earnings or (loss) from nonfarm self-employment (line 6, as adjusted by line 7)	8	95,976.
Note: *If line 8 is $1,600 or more or if you do not elect to use the Nonfarm Optional Method, skip lines 9 through 11 and enter amount from line 8 on line 12b.*		
Nonfarm Optional Method		
9 a Maximum amount reportable under both optional methods combined (farm and nonfarm)	9a	$1,600.00
b Enter amount from line 3. (If you did not elect to use the farm optional method, enter zero.)	9b	
c Balance (subtract line 9b from line 9a)	9c	
10 Enter two-thirds of gross nonfarm profits or $1,600, whichever is smaller	10	
11 Enter here and on line 12b, the amount on line 9c or line 10, whichever is smaller	11	

Part III Computation of Social Security Self-employment Tax

12 Net earnings or (loss):				
a From farming (from line 4)			12a	
b From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method)			12b	95,876.
13 Total net earnings or (loss) from self-employment reported on lines 12a and 12b. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of schedule)			13	95,876.
14 The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement taxes for 1980 is			14	$25,900.00
15 a Total "FICA" wages (from Forms W–2) and "RRTA" compensation	15a	28,604.		
b Unreported tips subject to FICA tax from Form 4137, line 9 or to RRTA	15b			
c Add lines 15a and 15b			15c	28,604.
16 Balance (subtract line 15c from line 14)			16	0.
17 Self-employment income—line 13 or 16, whichever is smaller			17	0.
18 Self-employment tax. (If line 17 is $25,900, enter $2,097.90; If less, multiply the amount on line 17 by .081.) Enter here and on Form 1040, line 48			18	0.

TRIPLICATE

SCHEDULE TC
(Form 1040)
Department of the Treasury
Internal Revenue Service

Tax Computation Schedule

▶ Attach to Form 1040.

1980

Name(s) as shown on Form 1040: JUHN A ZACCARO

Your social security number: 061 30 8534

Part I Computation of Tax for Taxpayers Who Cannot Use the Tax Tables

Use this part to figure your tax if:

- Your income on Form 1040, line 34, is more than $20,000 and you checked Filing Status Box 1, 3, or 4 on Form 1040.
- Your income on Form 1040, line 34, is more than $40,000 and you checked Filing Status Box 2 or 5 on Form 1040.
- You had more exemptions than were shown in the Tax Table for your filing status.
- You figure your tax using Schedule G (Income Averaging) or Form 4726 (Maximum Tax on Personal Service Income).

1 Enter the amount from Form 1040, line 34	1	80,662.
2 Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 7	2	4,000.
3 Taxable income. Subtract line 2 from line 1. (Figure your tax on this amount by using the Tax Rate Schedules or one of the other methods listed on line 4.)	3	76,662.
4 Income tax. Enter tax and check if from: ☐ Tax Rate Schedule X, Y, or Z, ☒ Schedule G, or ☐ Form 4726. Also enter on Form 1040, line 35.	4	35,973.

Part II Computation for Certain Taxpayers Who MUST Itemize Deductions

If you are included in one of the groups below, you MUST itemize. If you must itemize and the amount on Schedule A (Form 1040), line 40, is more than your itemized deductions on Schedule A, line 39, you must complete Part II before figuring your tax.

You MUST itemize your deductions if:

A. You can be claimed as a dependent on your parents' return and had interest, dividends, or other unearned income of $1,000 or more and had earned income of less than $2,300 if single (less than $1,700 if married filing a separate return).

Note: *If your earned income is more than your itemized deductions, you don't have to fill in Schedule A. Just enter your earned income in Part II, line 3, of this schedule, unless you are married filing a separate return and your spouse itemizes deductions. Generally, your earned income is the total of any amounts on Form 1040, lines 8, 13, and 19. See page 11 of the instructions for Form 1040 for more details.*

B. You are married filing a separate return and your spouse itemizes deductions. (There is an exception to this rule. You don't have to itemize if your spouse must itemize only because he or she is described in A and enters earned income instead of itemized deductions on Part II, line 3, of this schedule. If this is the case, don't complete Part II. Go back to Form 1040, line 33, and enter $0. Then go to Form 1040, line 34.)

C. You file Form 4563 to exclude income from sources in U.S. possessions. (Please see Form 4563, and Publication 570, Tax Guide for U.S. Citizens Employed in U.S. Possessions, for more details.)

D. You had dual status as a nonresident alien for part of 1980, and during the rest of the year you were either a resident alien or a U.S. citizen. However, you don't have to itemize if at the end of 1980, you were a nonresident alien married to a U.S. resident or citizen and file a joint return reporting your combined worldwide income.

1 Enter the amount from Form 1040, line 31			1	
2 If you checked Form 1040, Filing Status Box: 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700	2			
3 Enter the amount from Schedule A, line 39	3			
Caution: *If you can be claimed as a dependent on your parents' return, see the Note above. Be sure you check the box below line 33 of Form 1040.*				
4 Subtract line 3 from line 2			4	
5 Add lines 1 and 4. Enter here and on Form 1040, line 34. (Leave Form 1040, line 33 blank. Disregard the instruction to subtract line 33 from line 32. Follow the rest of the instructions for Form 1040, line 34.)			5	

TC

The example below may help you to complete Part II.

Example—Walter Green, a single individual, is claimed as a dependent on his parents' return. Walter's adjusted gross income, Form 1040, line 31, is $4,000. Of this amount, $1,500 was earned income from a summer job and $2,500 was unearned income that he received as a beneficiary of a trust. Because Walter is being claimed as a dependent on his parents' return and has unearned income of $1,000 or more and earned income of less than $2,300, he must use Part II of Schedule TC. Walter knows that his total itemized deductions are only $500. Since this is less than his earned income ($1,500), he does not have to complete Schedule A. Walter enters $2,300, the zero bracket amount for a single individual, on line 2 of Part II and his earned income on line 3. He completes Part II as shown below and enters the total of $4,800 on Form 1040, line 34. He then figures his tax using the Tax Tables as explained in the instructions for lines 34 and 35 on page 12.

1 Adjusted gross income		$4,000
2 Zero bracket amount for a single individual	$2,300	
3 Earned income	1,500	
4 Subtract line 3 from line 2		800
5 Add lines 1 and 4. Enter here and on Form 1040, line 34		$4,800

Note: *If Walter's itemized deductions are more than his earned income, he must complete Schedule A first.*

TRIPLICATE

Form **6251**
Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax Computation

▶ See instructions on back
▶ Attach to Forms 1040, 1040NR, 1041 or 990–T (Trust).

1980
35 ☐

Name(s) as shown on tax return: JOHN A ZACCARO
Identifying number: 001-30-8534

1 Adjusted gross income from Form 1040, line 32 or Form 1040NR, line 33 (estates and trusts—see instructions)			1	106,010.
2 Deductions (applies to individuals only):				
a Enter amount from Form 1040, line 33 or Form 1040NR, line 37	2a	25,348.		
b On your 1980 Form 1040, if you checked Filing Status box . 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700	2b	1,700.		
c Multiply $1,000 by the total number of exemptions on Form 1040, line 7	2c	4,000.		
d Add lines 2a through 2c (estates and trusts, enter zero)			2d	31,048.
3 Subtract line 2d from line 1			3	74,962.
4 Tax preference items:				
a Adjusted itemized deductions	4a			
b Capital gain deduction	4b	5,480.		
c Add lines 4a and 4b			4c	5,480.
5 Alternative minimum taxable income (add lines 3 and 4c)			5	80,442.
6 Enter $20,000 ($10,000 if married filing separately, or an estate or trust)			6	10,000.
7 Subtract line 6 from line 5. If zero or less, do not complete the rest of this form			7	70,442.
8 Enter the smaller of line 7 or $40,000 ($20,000 if married filing separately or an estate or trust)	8	20,000.		
9 Subtract line 8 from line 7	9	50,442.		
10 Enter the smaller of line 9 or $40,000 ($20,000 if married filing separately or an estate or trust)	10	20,000.		
11 Subtract line 10 from line 9	11	30,442.		
12 Enter 10% of line 8	12	2,000.		
13 Enter 20% of line 10	13	4,000.		
14 Enter 25% of line 11	14	7,611.		
15 Add lines 12, 13 and 14			15	13,611.
16 Amount from Form 1040, line 47* (estates and trusts—see instructions)	16	35,923.		
17 Minimum tax from Form 1040, line 49A (estates and trusts—see instructions)	17			
18 Tax from recomputing prior-year investment credit (from Form 1040, line 50) (estates and trusts—see instructions)	18			
19 Add lines 16 through 18			19	35,923.
20 Alternative minimum tax (subtract line 19 from line 15). If zero or less, do not complete the rest of this form; otherwise file this form with your tax return			20	0.
21 Foreign tax credit (see instructions)			21	
22 Subtract line 21 from line 20. Enter here and on Form 1040, line 49B (estates and trusts—see instructions)			22	

*Do not include any tax from Form 4970, Form 4972, Form 5544, or any penalty tax under section 72(m)(5).

TRIPLICATE

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115068-5039-02                 202174

JOHN A ZACCARO                                                 061-30-8534

          INDIVIDUAL RETIREMENT ARRANGEMENT - IRA - DEDUCTION - 1980

 X 1. ONE INDIVIDUAL IRA.
   2. TWO INDIVIDUAL IRA-S.
   3. ONE INDIVIDUAL IRA AND ONE SPOUSAL IRA.
   4. ONE SEP.
   5. TWO SEP.
   6. ONE INDIVIDUAL IRA AND ONE SEP.


 1. AMOUNT PAID TO YOUR IRA. - DO NOT INCLUDE ROLLOVERS OR YOUR
    EMPLOYER-S SEP PAYMENTS. . . . . . . . . . . . . . . . . . . . . .    1,500

 2. YOUR EMPLOYER-S SEP PAYMENTS TO YOUR IRA . . . . . . . . . . . . .

 3. ADD LINES 1 AND 2. . . . . . . . . . . . . . . . . . . . . . . . .    1,500

 4A AMOUNT PAID TO YOUR NON-WORKING SPOUSE-S IRA. - DO NOT INCLUDE
    ROLLOVERS. . . . . . . . . . . . . . . . . . . . . . . . . . . . .

 4B ELIGIBLE EXCESS PAYMENTS MADE IN EARLIER YEARS. SEE INSTRUCTIONS
    FOR FORM 5329, LINE 3. . . . . . . . . . . . . . . . . . . . . . .

 5. ADD LINES 3, 4A AND 4B . . . . . . . . . . . . . . . . . . . . . .    1,500

 6. WAGES AND OTHER EARNED INCOME FROM 1040. - DO NOT INCLUDE
    SPOUSE-S INCOME AND DO NOT REDUCE YOUR WAGES BY LOSSES FROM
    SELF EMPLOYMENT. . . . . . . . . . . . . . . . . . . . . . . . . .  124,480

 7. ENTER EMPLOYER-S SEP PAYMENTS. . . . . . . . . . . . .  . . . . .

 8. SUBTRACT LINE 7 FROM LINE 6. ENTER RESULT. . . . . . . . . . . . .  124,480

    COMPLETE LIMITATION 9, 10, OR 11 BELOW, WHICHEVER ONE APPLIES TO
    YOU. IF YOUR EMPLOYER CONTRIBUTES TO YOUR IRA AND YOUR NON-WORKING
    SPOUSE-S IRA UNDER A SEP, USE THE LIMITATION ON LINE 10

 9. REGULAR IRA. ENTER 1,500 OR 15 PCT. OF LINE 8, WHICHEVER IS SMALLER  1,500

10. IRA FOR YOU AND YOUR NON-WORKING SPOUSE. ENTER THE SMALLEST OF -
    A. 15 PCT. OF LINE 8, OR B. 1,750, OR C. 2 TIMES THE AMOUNT ON
    LINE 3, OR D. 2 TIMES THE AMOUNT ON LINE 4A. . . . . . . . . . . .

11. SIMPLIFIED EMPLOYEE PENSION -SEP- ENTER THE SMALLER OF- A. 15 PCT.
    OF LINE 8, OR B. THE TOTAL OF- LINE 2, BUT NOT MORE THAN 7500, AND
    1,500 MINUS LINE 2, BUT NOT LESS THAN ZERO . . . . . . . . . . . .

12. ALLOWABLE DEDUCTION. ENTER THE SMALLER OF - A. THE AMOUNT FROM
    LINE 5, OR B. YOUR LIMITATION FROM LINE 9, 10 OR 11. ALSO ENTER
    ON FORM 1040, LINE 25  . . . . . . . . . . . . . . . . . . . . . .    1,500

    NOTE- IF LINE 5 IS LARGER THAN LINE 12 AND YOU DO NOT WITHDRAW THIS
          EXCESS PAYMENT BEFORE THIS RETURN IS DUE, YOU MUST FILE FORM
          5329 AND PAY THE TAX DUE
```

FORM 11 – 1980 REGULAR +® (TAXPAYER IDENTIFICATION DATA, INCOME AVERAGING, PREPARER OPTIONS ESTIMATED TAX & 2210 INFORMATION   503402   OMIT CENTS

PREPARER'S NAME SEIGEL+ BRESSMAN	(1) 3	(2) TAXPAYER'S S.S. NO. (16) 061 30 8534	(17-18) 11	10 ACCOUNT NO. 115068	11 R # 727761

(20-21)	(22) TAXPAYER'S FIRST NAME & INIT (37)	(38) SPOUSE'S FIRST NAME & INIT. (53)	(54) LAST NAME (70)	(71) SPOUSE'S S.S. NO.
01	JOHN A		ZACCARO	
02	(22) STREET ADDRESS (44) 22 DEEPDANE RD		(45) CITY (63) FOREST HILLS	(64) COUNTY QUEENS
03	(22) STATE (26) NY	(27) ZIP (41) 11375	(42) TAXPAYER'S OCCUPATION (63) BROKER	(64) SPOUSE'S OCCUPATION
04	CARE OF NAME			
05	ENTER SPOUSE'S FULL NAME IF MARRIED FILING SEPARATELY:	(22) SPOUSE'S NAME (53) GERALDINE	(54) SPOUSE'S S.S. NO (62) 100 28 1600	(63) NAME OF PERSON QUALIFYING TAXPAYER AS UNMARRIED HEAD OF HOUSEHOLD
06	REVENUE SHARING (22) (A) STATE (26)	ENTER ONLY IF DIFFERENT THAN ADDRESS ABOVE (27) CITY, VILLAGE, BOROUGH, ETC. (30)	(31) (C) COUNTY (52)	(53) (D) IN WHAT TOWNSHIP DO YOU LIVE? (62) (E) DO YOU LIVE WITHIN THE LEGAL LIMITS OF A CITY, VILLAGE, ETC.? DIGIT 1 = NO BLANK = YES 56

FILING STATUS ENTER ONE OF THE FOLLOWING	1. SINGLE 2. MARRIED — JOINT 3. HEAD OF HOUSE *4. SURV. WIDOW(ER) 5. MARRIED — SPOUSE NOT FILING	MARRIED — FILING SEPARATE SPOUSE IS FILING 6. ITEMIZED 7. STAND. DEDUCTION 8. LOWEST METHOD	12	6
DATE DECEASED ENTER MO. DAY YR.	TAXPAYER 13		SPOUSE 14	
*ENTER YEAR SPOUSE DIED FOR FILING STATUS 4 (TWO DIGITS)			15	

RESIDENT SCHOOL CODES N.Y., MICH., OHIO & PA.		EXTRA EXEMPTIONS ENTER DIGIT 1	AGE 65 OR OVER SELF		SPOUSE		BLIND SELF		SPOUSE
16	519		17		18		19		20

STATE/CITY RESIDENT & NON-RESIDENT RETURN CODING (ENTER DIGIT 1 TO REQUEST PROPER RETURN)

N.Y. STATE RESIDENT	21	1	N.J. RESIDENT	26	
N.Y. CITY RESIDENT	22	1	N.J. TT 200 AND N.J. 1040 NR — TAXPAYER	27	
N.Y. CITY NON RESIDENT	23		N.J. TT 200 AND N.J. 1040 NR — SPOUSE	28	
N.Y. STATE NON-RESIDENT — TAXPAYER	24		CONN. RESIDENT	29	
N.Y. STATE NON-RESIDENT — SPOUSE	25		NO STATE RETURN	30	
OTHER RESIDENT CODES—ENTER 2 DIGIT CODES	31		MD. COUNTY CODES, MICH. & OHIO RESIDENT CITY CODES	32	

FEDERAL INCOME AVERAGING REFER TO FORM 37 FOR FOREIGN INCOME, ETC.			ENTER DIGIT 1 TO SUPPRESS INCOME AVERAGING	33	
1979 TAX TABLE INCOME	34	58448	NO. OF 1979 TOTAL EXEMPTIONS	35	4
1978 TAX TABLE INCOME	36	52562	NO. OF 1978 TOTAL EXEMPTIONS	37	4
1977 TAX TABLE INCOME	38	21378	NO. OF 1977 TOTAL EXEMPTIONS	39	4

PREPARER'S OPTIONS	ENTER TAXABLE INCOME	1976	40	6094	
DROP POINT	41	38	CLIENT LABELS 3 OR 6	42	
PRESIDENTIAL ELECTION CAMPAIGN FUND ENTER DIGIT	43	1	DO NOT PRINT FIRM NAME ON FORM	44	
COULD TAXPAYER BE CLAIMED ON PARENT'S RETURN?	45		TAXPAYER INVOICE	47	
POLITICAL CONTRIBUTIONS — TAXPAYER	48	200	SPOUSE	49	
PREPARER'S SOCIAL SECURITY NUMBER ENTER 9 DIGIT NUMBER	50 062	51 074105	ENTER DIGIT 1 IF PREPARER IS SELF-EMPLOYED	52	1
ADP TO MATH INPUT	53	1	DO NOT PREPARE DIAGNOSTIC	54	1

ESTIMATED TAX INFORMATION

1980 ESTIMATED TAX (INCLUDE 1979 OVERPAYMENT CREDITED TO 1980 ESTIMATE PLUS PAYMENTS MADE ON 1980 TAX)	FED.	57	20000
	RES. STATE	58	9000
	CITY	59	3000
ENTER AMOUNT OF 1980 OVERPAYMENT TO BE CREDITED TO 1981 ESTIMATE — OR — ENTER DIGIT 1 IF OVERPAYMENT IS TO BE CREDITED. ENTER DIGIT 2 IF ESTIMATE IS TO BE THE EXACT AMOUNT OF THE OVERPAYMENT. ENTER DIGIT 3 IF THE OVERPAYMENT IS TO BE APPLIED TO THE FIRST INSTALLMENT ONLY. ANY EXCESS TO BE REFUNDED.	FED.	60	
	RES. STATE	61	
	CITY	62	
ENTER ESTIMATED W-2 WITHHOLDING TAX FOR 1981 IF DIFFERENT THAN 1980 WITHHOLDING TAX.	FED.	63	
	RES. STATE	64	
	CITY	65	
ENTER EXACT DOLLAR AMOUNT OF ESTIMATE DESIRED OR ENTER DIGIT 1 IF ESTIMATE IS TO BE BASED ON THE TOTAL 1980 TAX LIABILITY LESS INCOME TAXES WITHHELD.	FED.	66	
	RES. STATE	67	
	CITY	68	
ENTER NUMBER OF PAYMENTS DESIRED. DIGIT 1 – TOTAL DUE 4/15/81 DIGIT 2 – TOTAL DUE 1/15/82 DIGIT 3 – BLANK ESTIMATE IF BLANK – QUARTERLY ESTIMATE ASSUMED	FED.	69	
	RES. STATE	70	
	CITY	71	

FORM 2210 INFORMATION – REFER TO INSTRUCTIONS

EXCEPTION 1: 1979 TAX INCLUDING SCH. SE TAX	72	21628
EXCEPTION 2: TAX ON 1979 INCOME USING 1980 RATES AND EXEMPTIONS.	73	
ENTER DIGIT 1 IF THE COMPUTED PENALTY IS TO BE PRINTED ON FORM 1040 PAGE 2, LINE 66.	74	

ENTER BELOW THE AMOUNTS PAID ON ESTIMATED TAX FOR EACH PERIOD AND THE TAX WITHHELD. REFER TO INSTRUCTIONS

APR. 15, 1980		JUNE 15, 1980		SEPT. 15, 1980		JAN. 15, 1981	
75	778	76	778	77	779	78	20779

FOR ADP USE ONLY		PHOTO	91	3	ENTRIES	99	2
93	A-M 021	94	1	95	2	96	
97	KP 7306	98	KP [illegible]	92	KH		

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P 503902

ACCOUNT NO	(17) (18)
115068	12

FORM 12 – DEPENDENTS, OTHER DEPENDENTS WAGES & OTHER INCOME – 1980

TAXPAYER(S) NAME: JOHN A ZACCARO 061 30 8534

SCHEDULE 1 – DEPENDENT CHILDREN WHO LIVED WITH TAXPAYER NOTE: FOR STATE PURPOSES ENTER "S" FOR SON, "D" FOR DAUGHTER AND THEIR AGE (REFER TO INSTRUCTIONS)

[illegible]	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	TOTAL CHILDREN
DONA	D		LAURA	D								11 3
JOHN	S											

SCHEDULE 2 – OTHER DEPENDENTS

NAME	RELATIONSHIP	NO. MOS. IN HOME	DID DEPENDENT HAVE INCOME OF $1000 OR MORE?	DID YOU PROVIDE MORE THAN ONE-HALF OF DEPENDENT SUPPORT?	TOTAL OTHER DEPENDENTS
					12

SCHEDULE 3 – INCOME FROM WAGES, SALARIES & TIPS (IF GROSS WAGES ARE NOT EQUAL TO FICA WAGES SEE INSTRUCTIONS)

NAME OF EMPLOYER	H/W	F.W.T.	GROSS	F.I.C.A.	S.W.T.	C.W.T.
P. ZACCARO Co INC		2365	23604	1447	795	307
FREANN REALTY Co.		750	5000	307	[illegible]0	100

ADVANCED EARNED INCOME PAYMENTS RECEIVED								
TAXPAYER	13	TOTAL – TAXPAYER	14 3115	15 28604	16 1754	17 1045	18 407
SPOUSE	19	TOTAL – SPOUSE	20	21	22	23	24

SCHEDULE 3A – NON-RESIDENT WAGES DO NOT DUPLICATE YOUR ENTRIES ON THE STATE SHEETS	NEW YORK STATE IT-203		NEW YORK CITY NYC 203 WHICH CITY NON-RESIDENTS		1040SE – LINES 7 & 19(A) ADJUSTMENTS ENTER FICA WAGES AS INDICATED ON FORM W-2 THAT HAVE BEEN INCLUDED IN SCHEDULE C GROSS RECEIPTS.	
	TAXPAYER	SPOUSE	TAXPAYER	SPOUSE	TAXPAYER	SPOUSE
	25	26	27	28	29	30

SCHEDULE 4 – OTHER INCOME

	H.W. OR J	FEDERAL TAXABLE INCOME	RESIDENT STATE-INCOME TAXPAYER	RESIDENT STATE-INCOME SPOUSE
FULLY TAXABLE PENSIONS AND ANNUITIES		47	48	49
STATE AND/OR LOCAL INCOME TAX REFUNDS		50 510	51 (510)	52
ALIMONY RECEIVED		53	54	55
NET OPERATING LOSS		56 ( )	57 ( )	58 ( )
EXCLUSION FROM FORM 2555		59 ( )	60 ( )	61 ( )
COMMISSION OR FEE INCOME		95876		
DIRECTORS FEES				
GROUP INSURANCE		1.792		
TOTALS →		71 98178	72 (510)	73

TAXPAYER	SPOUSE
PENSION EXCLUSION FOR RESIDENT STATE RETURNS (ENTER AS POSITIVE)	
74	75
MISCELLANEOUS INCOME (LOSS) SUBJECT TO SELF-EMPLOYMENT TAX	
76 95876	77
PERSONAL SERVICE INCOME INCLUDED IN MISCELLANEOUS INCOME FOR MAXIMUM TAX COMPUTATION. (NOTE: INCLUDE INCOME FROM QUALIFYING PENSIONS & ANNUITIES)	
78 95876	79
UNEMPLOYMENT COMPENSATION	
ENTER TOTAL AMOUNT RECEIVED.	
80	81
ENTER DIGIT 1 IF TAXPAYER IS MARRIED FILING SEPARATELY AND LIVING WITH SPOUSE	82

1

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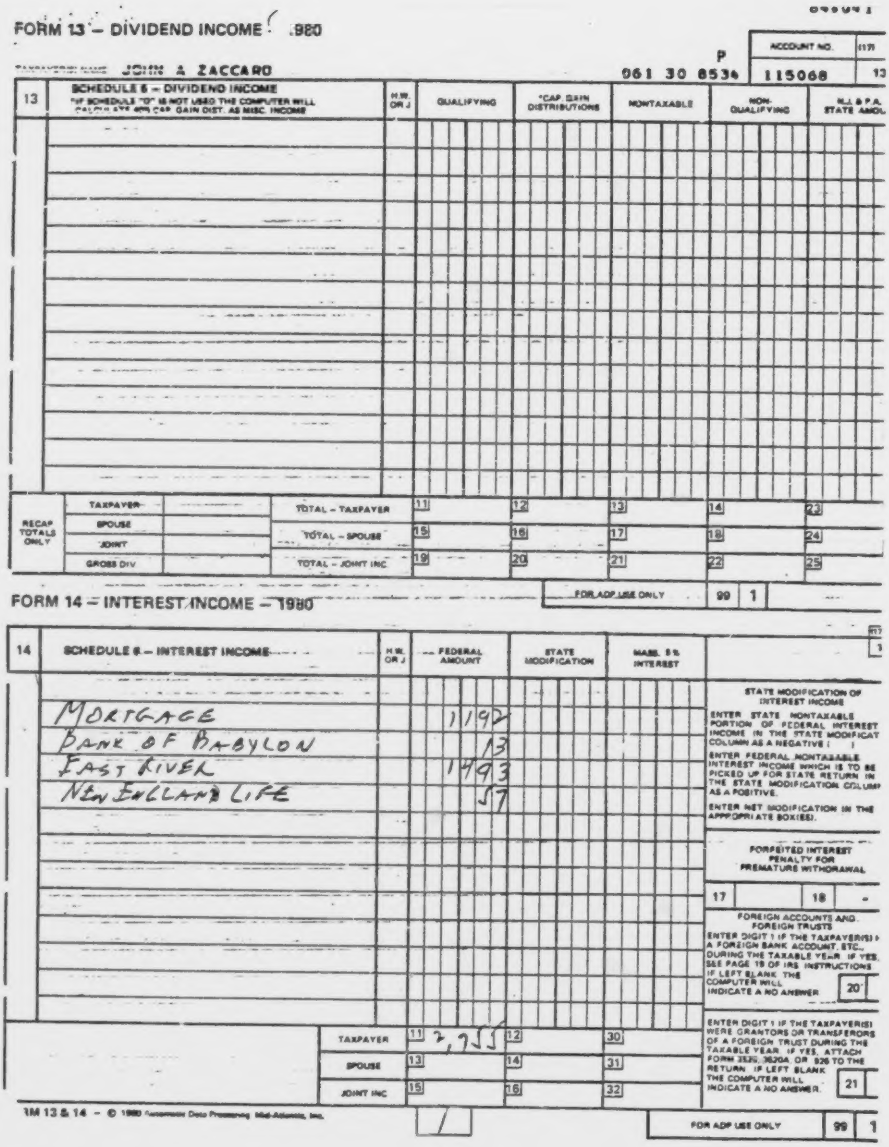

FORM 13 – DIVIDEND INCOME 1980

JOHN A ZACCARO

P

061 30 8534

ACCOUNT NO.	(17)
115068	13

13	SCHEDULE 6 – DIVIDEND INCOME *IF SCHEDULE "D" IS NOT USED THE COMPUTER WILL CALCULATE 40% CAP. GAIN DIST. AS MISC. INCOME	H.W. OR J	QUALIFYING	*CAP. GAIN DISTRIBUTIONS	NONTAXABLE	NON-QUALIFYING	N.J. & P.A. STATE AMOU

RECAP TOTALS ONLY							
	TAXPAYER		TOTAL – TAXPAYER	11	12	13	14	23
	SPOUSE		TOTAL – SPOUSE	15	16	17	18	24
	JOINT		TOTAL – JOINT INC	19	20	21	22	25
	GROSS DIV							

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FORM 14 – INTEREST INCOME – 1980

14	SCHEDULE 6 – INTEREST INCOME	H.W. OR J	FEDERAL AMOUNT	STATE MODIFICATION	MASS. 5% INTEREST
	MORTGAGE		1192		
	BANK OF BABYLON		13		
	EAST RIVER		1493		
	NEW ENGLAND LIFE		57		

TAXPAYER	11	2,755	12		30	
SPOUSE	13		14		31	
JOINT INC	15		16		32	

STATE MODIFICATION OF INTEREST INCOME

ENTER STATE NONTAXABLE PORTION OF FEDERAL INTEREST INCOME IN THE STATE MODIFICAT COLUMN AS A NEGATIVE ( )

ENTER FEDERAL NONTAXABLE INTEREST INCOME WHICH IS TO BE PICKED UP FOR STATE RETURN IN THE STATE MODIFICATION COLUMN AS A POSITIVE.

ENTER NET MODIFICATION IN THE APPROPRIATE BOX(ES).

FORFEITED INTEREST PENALTY FOR PREMATURE WITHDRAWAL

17 18

FOREIGN ACCOUNTS AND FOREIGN TRUSTS

ENTER DIGIT 1 IF THE TAXPAYER(S) A FOREIGN BANK ACCOUNT, ETC., DURING THE TAXABLE YEAR. IF YES, SEE PAGE 19 OF IRS INSTRUCTIONS. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER. 20

ENTER DIGIT 1 IF THE TAXPAYER(S) WERE GRANTORS OR TRANSFERORS OF A FOREIGN TRUST DURING THE TAXABLE YEAR. IF YES, ATTACH FORM 3520, 3520A OR 926 TO THE RETURN. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER. 21

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FORM 15 – ITEMIZED DEDUCTIO – 1980

P	ACCOUNT NO.	(17) (1
061 30 8539	115068	15

TAXPAYERS NAME: JOHN A ZACCARO

SCHEDULE 7 – MEDICAL & DENTAL

MEDICAL INSURANCE PREMIUMS IN FULL	11	300
MEDICINE AND DRUGS BEFORE EXCLUSION	12	
6a DOCTORS, DENTISTS, ETC. (RECEIPTS & CHECKS)	13	
6b HOSPITALS	14	
6c OTHER MEDICAL (DO NOT DUPLICATE ENTRY OF DRS. ETC.)		
GLASSES, HEARING AIDS, ETC.		
LAB FEES & X-RAYS		
MEDICAL SUPPLIES		
MEDICAL TRAVEL @ 9¢ MILE		
MEDICAL INSURANCE REIMBURSEMENTS		( )
TOTAL MEDICAL (TOTAL OF ALL ITEMS) →	21	300

SCHEDULE 8 – TAXES

RECAP OF STATE &/OR CITY TAX PAYMENTS

1. 1980 WITHHOLDING	1452
2. 1980 ESTIMATED TAX PAYMENTS MADE IN 1980	12000.
3. 4TH QUARTER 1979 ESTIMATE PAID IN 1980	
4. BALANCE PAID WITH 1979 RETURN	
5. OTHER PAYMENTS MADE DURING 1980	

STATE AND LOCAL INCOME (TOTAL LINES 1 TO 5)	50	13452
REAL ESTATE TAX	51	3868
GENERAL SALES OPTIONAL COMPUTATION BELOW	52	1072
PERSONAL PROPERTY	53	
SALES TAX ON NEW AUTO		
SALES TAX ON MAJOR PURCHASES		
STOCK TRANSFER TAX		
NEW JERSEY STATE UNEMPLOYMENT		
FEDERAL DEDUCTIBLE TAXES →	60	18392

INFORMATION FOR SALES TAX COMPUTATION

ENTER DIGIT 1 FOR OPTIONAL COMPUTATION	70	
ENTER PERCENT TO ADD TO TABLE (ROUNDED TO NEAREST %)	71	%
INCREASE OR (DECREASE) AGI	72	

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FORM 17 – ITEMIZED DEDUCTIONS (CONTINUED) 1980

TAXPAYERS NAME: JOHN A ZACCARO

P 061 30 8534

ACCOUNT NO.	(17-18)
115068	17

SCHEDULE 9 - CONTRIBUTIONS			
CASH CONTRIBUTIONS (RECEIPTS & CHECKS)		11	1940
CHURCH			
TEMPLE			
UNITED JEWISH APPEAL			
UNITED FUND			
HEART FUND			
CANCER FUND			
CAR EXPENSE FOR CHARITY @ 9¢ MILE			
BOY/GIRL SCOUTS			
MISCELLANEOUS ORGANIZED CHARITIES			
CONTRIBUTION OTHER THAN CASH		23	
CONTRIBUTION CARRYOVER (ATTACH STATEMENT)	50%	24	
	30%	25	
CURRENT YEAR CONTRIBUTIONS SUBJECT TO: (ATTACH STATEMENT)	30% LIMITATION	26	
	20% LIMITATION	27	
TOTAL CONTRIBUTIONS →		28	1940

SCHEDULE 10 – CASUALTY OR THEFT LOSSES			
25. LOSS BEFORE REIMBURSE.	(DO NOT MAKE ENTRIES IF MORE THAN 1 CASUALTY OR THEFT LOSS)	30	
26. INSURANCE REIMBURSEMENT.		31	( )
27. SUBTRACT LINE 26 FROM LINE 25.			
28. ENTER SMALLER OF $100 OR LINE 27.			(100)
29. CASUALTY OR THEFT LOSS (LINE 27 LESS LINE 28) (IF MORE THAN ONE LOSS – SEE INSTRUCTIONS)		32	

SCHEDULE 11 – INTEREST EXPENSE		
HOME MORTGAGE	40	946
CREDIT AND CHARGE CARDS	41	
AUTO LOAN		
FINANCE CO.		
HOME IMPROVEMENT LOAN		
BANK LOAN		1362 ✓
MARGIN ACCOUNT		
LOAN – J. SELGER		3958
TOTAL INTEREST →	50	6266

SCHEDULE 12 – MISCELLANEOUS DEDUCTIONS		
UNION DUES	60	
INVESTMENT EXPENSES		
TAX PREPARATION FEE		300
SAFE DEPOSIT BOX		
PROFESSIONAL DUES		
BUSINESS PUBLICATIONS		
EDUCATION EXPENSES		
UNIFORMS		
WORK TOOLS		
OFFICE IN HOME		
BUSINESS ENTERTAINMENT AND GIFTS		
TOTAL MISCELLANEOUS DEDUCTIONS →	72	300

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FORM 36A – SCHEDULE D – CAPITAL GAINS AND LOSSES – 1980

REFER TO FORM 36B FOR CAPITAL LOSS CARRYOVERS & ADDITIONAL INFORMATION

TAXPAYER(S) NAME JOHN A ZACCARD

P	OMIT CENTS	(17-18)
TAXPAYER'S S.S.N.	ACCOUNT NO	36
061 30 85 4	115068	

1980 GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

a. KIND OF PROPERTY AND DESCRIPTION	H W J	DATE b. ACQUIRED MO.	DAY	YR.	DATE c. SOLD MO.	DAY	YR.	d. GROSS SALES PRICE LESS EXPENSE OF SALE	e. COST OR OTHER BASIS	SHORT TERM f. (LOSS)	SHORT TERM g. GAIN	LONG TERM f. (LOSS)	LONG TERM g. GAIN
							80						
INSTALLMENT							80						
SALE -							80						
353 BROOME ST							80						
5000 x 42.97%							80						2148
							80						
PARTNERSHIP							80						
SECOND GRAND							80						6985
Co							80						
							80						
							80						
							80						
							80						
							80						
							80						
							80						
							80						
							80						
							80						
							80						
							80						
	TOTALS												

	FEDERAL	11	14		20		23	9133
STATE	TAXPAYER	12	15		21		24	9133
	SPOUSE	13	16		22		25	

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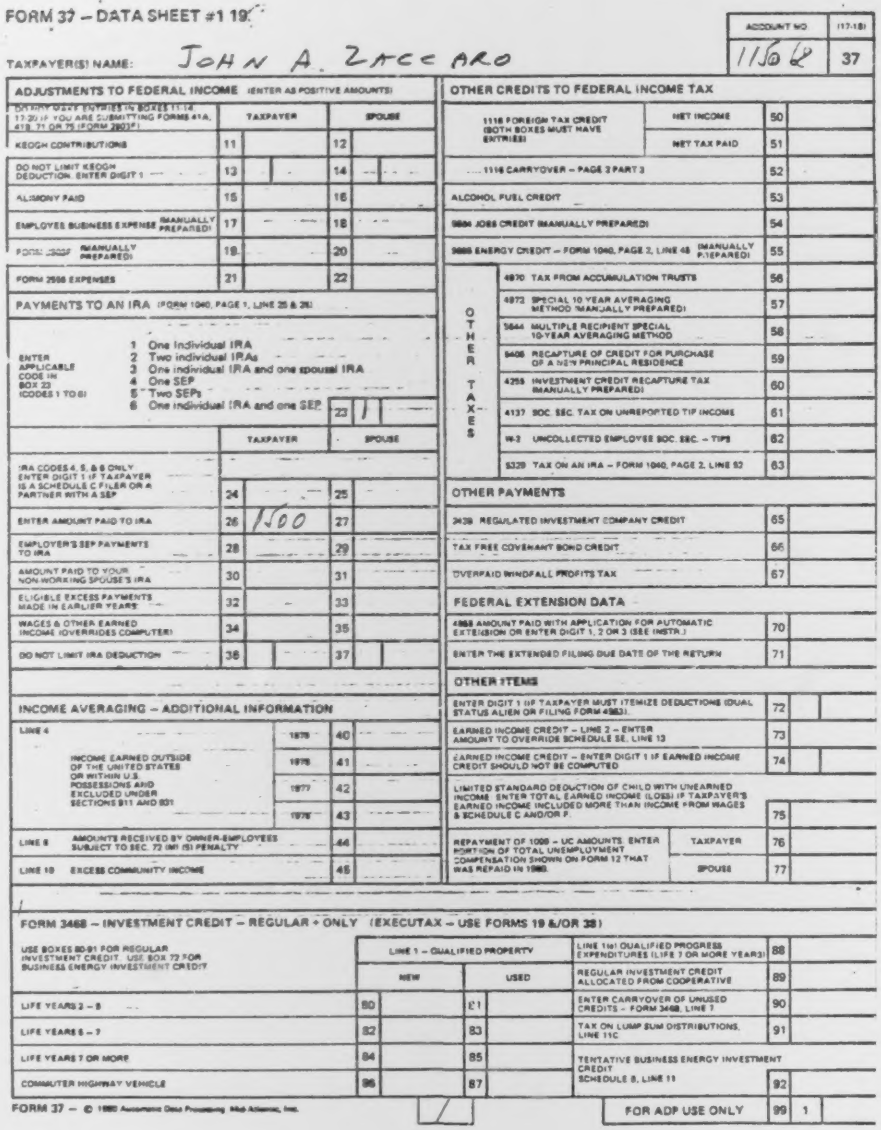
FORM 36 A – © 1980 Automatic Data Processing Mid-Atlantic, Inc.



FORM 37 – DATA SHEET #1 19

ACCOUNT NO	(17-18)
11568	37

TAXPAYER(S) NAME: JOHN A. ZACCARO

ADJUSTMENTS TO FEDERAL INCOME (ENTER AS POSITIVE AMOUNTS)

DO NOT MAKE ENTRIES IN BOXES 11-14, 17-20 IF YOU ARE SUBMITTING FORMS 41A, 41B, 71 OR 75 (FORM 2903F)		TAXPAYER		SPOUSE
KEOGH CONTRIBUTIONS	11		12	
DO NOT LIMIT KEOGH DEDUCTION. ENTER DIGIT 1	13		14	
ALIMONY PAID	15		16	
EMPLOYEE BUSINESS EXPENSE (MANUALLY PREPARED)	17		18	
FORM 3903F (MANUALLY PREPARED)	19		20	
FORM 2506 EXPENSES	21		22	

PAYMENTS TO AN IRA (FORM 1040, PAGE 1, LINE 25 & 26)

ENTER APPLICABLE CODE IN BOX 23 (CODES 1 TO 6)

1 One Individual IRA
2 Two individual IRAs
3 One individual IRA and one spousal IRA
4 One SEP
5 Two SEPs
6 One individual IRA and one SEP

23 | 1

		TAXPAYER		SPOUSE
IRA CODES 4, 5, & 6 ONLY ENTER DIGIT 1 IF TAXPAYER IS A SCHEDULE C FILER OR A PARTNER WITH A SEP	24		25	
ENTER AMOUNT PAID TO IRA	26	1500	27	
EMPLOYER'S SEP PAYMENTS TO IRA	28		29	
AMOUNT PAID TO YOUR NON-WORKING SPOUSE'S IRA	30		31	
ELIGIBLE EXCESS PAYMENTS MADE IN EARLIER YEARS	32		33	
WAGES & OTHER EARNED INCOME (OVERRIDES COMPUTER)	34		35	
DO NOT LIMIT IRA DEDUCTION	36		37	

INCOME AVERAGING – ADDITIONAL INFORMATION

LINE 4 INCOME EARNED OUTSIDE OF THE UNITED STATES OR WITHIN U.S. POSSESSIONS AND EXCLUDED UNDER SECTIONS 911 AND 931	1979	40	
	1978	41	
	1977	42	
	1976	43	
LINE 8 AMOUNTS RECEIVED BY OWNER-EMPLOYEES SUBJECT TO SEC. 72 (M) (5) PENALTY		44	
LINE 10 EXCESS COMMUNITY INCOME		45	

OTHER CREDITS TO FEDERAL INCOME TAX

1116 FOREIGN TAX CREDIT (BOTH BOXES MUST HAVE ENTRIES)	NET INCOME	50	
	NET TAX PAID	51	
1116 CARRYOVER – PAGE 2 PART 3		52	
ALCOHOL FUEL CREDIT		53	
5884 JOBS CREDIT (MANUALLY PREPARED)		54	
5695 ENERGY CREDIT – FORM 1040, PAGE 2, LINE 48 (MANUALLY PREPARED)		55	

OTHER TAXES			
4970	TAX FROM ACCUMULATION TRUSTS	56	
4972	SPECIAL 10 YEAR AVERAGING METHOD (MANUALLY PREPARED)	57	
5544	MULTIPLE RECIPIENT SPECIAL 10-YEAR AVERAGING METHOD	58	
5405	RECAPTURE OF CREDIT FOR PURCHASE OF A NEW PRINCIPAL RESIDENCE	59	
4255	INVESTMENT CREDIT RECAPTURE TAX (MANUALLY PREPARED)	60	
4137	SOC. SEC. TAX ON UNREPORTED TIP INCOME	61	
W-2	UNCOLLECTED EMPLOYEE SOC. SEC. – TIPS	62	
5329	TAX ON AN IRA – FORM 1040, PAGE 2, LINE 52	63	

OTHER PAYMENTS

2439 REGULATED INVESTMENT COMPANY CREDIT	65	
TAX FREE COVENANT BOND CREDIT	66	
OVERPAID WINDFALL PROFITS TAX	67	

FEDERAL EXTENSION DATA

4868 AMOUNT PAID WITH APPLICATION FOR AUTOMATIC EXTENSION OR ENTER DIGIT 1, 2 OR 3 (SEE INSTR.)	70	
ENTER THE EXTENDED FILING DUE DATE OF THE RETURN	71	

OTHER ITEMS

ENTER DIGIT 1 IF TAXPAYER MUST ITEMIZE DEDUCTIONS (DUAL STATUS ALIEN OR FILING FORM 4563).		72	
EARNED INCOME CREDIT – LINE 2 – ENTER AMOUNT TO OVERRIDE SCHEDULE SE, LINE 13		73	
EARNED INCOME CREDIT – ENTER DIGIT 1 IF EARNED INCOME CREDIT SHOULD NOT BE COMPUTED		74	
LIMITED STANDARD DEDUCTION OF CHILD WITH UNEARNED INCOME. ENTER TOTAL EARNED INCOME (LOSS) IF TAXPAYER'S EARNED INCOME INCLUDED MORE THAN INCOME FROM WAGES & SCHEDULE C AND/OR F.		75	
REPAYMENT OF 1099 – UC AMOUNTS. ENTER PORTION OF TOTAL UNEMPLOYMENT COMPENSATION SHOWN ON FORM 12 THAT WAS REPAID IN 1980.	TAXPAYER	76	
	SPOUSE	77	

FORM 3468 – INVESTMENT CREDIT – REGULAR + ONLY (EXECUTAX – USE FORMS 19 &/OR 38)

USE BOXES 80-91 FOR REGULAR INVESTMENT CREDIT. USE BOX 72 FOR BUSINESS ENERGY INVESTMENT CREDIT	LINE 1 – QUALIFIED PROPERTY			
	NEW		USED	
LIFE YEARS 3 – 5	80		81	
LIFE YEARS 5 – 7	82		83	
LIFE YEARS 7 OR MORE	84		85	
COMMUTER HIGHWAY VEHICLE	86		87	

LINE 1(e) QUALIFIED PROGRESS EXPENDITURES (LIFE 7 OR MORE YEARS)	88	
REGULAR INVESTMENT CREDIT ALLOCATED FROM COOPERATIVE	89	
ENTER CARRYOVER OF UNUSED CREDITS – FORM 3468, LINE 7	90	
TAX ON LUMP SUM DISTRIBUTIONS, LINE 11C	91	
TENTATIVE BUSINESS ENERGY INVESTMENT CREDIT SCHEDULE B, LINE 11	92	

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FORM 44 – SCHEDULE E – PENSION AND ANNUITY INCOME
PARTNERSHIP, ESTATE OR TRUST, SMALL BUSINESS CORP. INCOME – 1980

P

ACCOUNT NO.	(17) (18)
115 368	44

TAXPAYER'S NAME JOHN A ZACCARO   061 31 6534

PART I PENSION AND ANNUITY INCOME

NAME OF PAYER				
1A DID YOU OR YOUR EMPLOYER CONTRIBUTE PART OF THE COST?	YES		NO	
1B IF "YES," IS YOUR CONTRIBUTION RECOVERABLE WITHIN 3 YEARS OF THE ANNUITY STARTING DATE?	YES		NO	
1C IF "YES," SHOW YOUR CONTRIBUTION $	1D YOUR CONTRIBUTION RECOVERED IN PRIOR YEARS	1D		
2 AMOUNT RECEIVED THIS YEAR		2		
3 AMOUNT ON LINE 2 THAT IS NOT TAXABLE		3		
4 TAXABLE PORTION (LINE 2 LESS LINE 3)	FEDERAL	11		
RESIDENT STATE	TAXPAYER	12		
	SPOUSE	13		

FOR STATE RETURN ADJUSTMENT ENTER NONTAXABLE PENSION INCOME (E.G. TEACHER'S PENSION) ENTER AS POSITIVE	TAXPAYER	14	
	SPOUSE	15	
ENTER TAXABLE PENSION & ANNUITY INCOME THAT QUALIFIES AS PERSONAL SERVICE INCOME FOR MAXIMUM TAX COMPUTATION	TAXPAYER	50	
	SPOUSE	51	

FARMERS AND FISHERMEN: ENTER YOUR SHARE OF GROSS FARMING AND FISHING INCOME APPLICABLE TO SCHEDULE E, PARTS II AND III   16

PART III INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPORATIONS

A) NAME, ADDRESS & B) EMPLOYER ID. NO.		H OR W	PARTNERSHIPS c) LOSS	PARTNERSHIPS d) INCOME	PARTNERSHIPS 1st YEAR ADD'L DEPREC.	SELF-EMPLOYMENT INCOME (LOSS) & PERSONAL SERVICE INCOME FOR MAXIMUM TAX	ESTATES OR TRUSTS c) LOSS	ESTATES OR TRUSTS d) INCOME	SMALL BUS. CORPS c) LOSS	SMALL BUS. CORPS d) INCOME
SECOND GRAND Co # 13-3016184			25680							
TOTALS	FEDERAL		17 25680	18	19		20	21	22	23
RESIDENT STATE AND SELF-EMPLOYMENT INCOME (LOSS)	TAXPAYER		24 25680	25	26	27	28	29	30	31
	SPOUSE		32	33	34	35	36	37	38	39

FORM 44 – © 1980 Automatic Data Processing Mid-Atlantic, Inc.

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3-115068-1631-8 3,249

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return **1981**

For the year January 1-December 31, 1981, or other year beginning , 1981 ending 19 OMB No. 1545-0074

JOHN A ZACCARO
22 DEEPDANE RD
FOREST HILLS, NY 11375

EXHIBIT NO. 17

Your social security number: 061-30-8534
Spouse's social security no.: 100-28-1600
Your occupation: BROKER
Spouse's occupation:

Presidential Election Campaign Fund ▶ Do you want $1 to go to this fund? ☒ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☐ Yes ☐ No
Note: Checking Yes will not increase your tax or reduce your refund.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Filing Status
Check only one box

1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Spouse's full name ▶ GERALDINE
4 ☐ Head of household. (with qualifying person).(See page 6 of Instructions). If he or she is your unmarried child, enter child's name ▶
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions)

Exemptions
Always check the box labeled Yourself. Check other boxes if they apply.

6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1

c First names of your dependent children who lived with you ▶ SEE SCHEDULE-1
Enter number of children listed on 6c ▶ 3

d Other dependents: (1) Name and Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1000 or more?	(5) Did you provide more than one half of dependent's support?

Enter number of other dependents ▶

e Total number of exemptions claimed — Add numbers entered in boxes above ▶ 4

Income
Please attach Copy B of your Forms W-2 here.
If you do not have a W-2 see page 5 of Instructions.
Please attach check or money order here.

7	Wages, salaries, tips, etc.		7	43,104
8a	Interest income (attach Schedule B if over $400 or you have any All-Savers interest)	8a 1,058		
b	Dividends (attach Schedule B if over $400)	8b		
c	Total. Add lines 8a and 8b	8c 1,058		
d	Exclusion. (See page 9 of Instructions)	8d 200		
e	Subtract line 8d from line 8c (but not less than zero)		8e	858
9	Refunds of State and local income taxes (do not enter an amount unless you deducted those taxes in an earlier year - see page 9 of Instructions)		9	942
10	Alimony received		10	
11	Business income or (loss) (attach Schedule C) ▶		11	
12	Capital gain or (loss) (attach Schedule D)		12	1,500-
13	40% of capital gain distributions not reported on line 12 (See page 9 of Instructions)		13	
14	Supplemental gains or (losses) (attach Form 4797)		14	
15	Fully taxable pensions and annuities not reported on line 16		15	
16a	Other pensions and annuities. Total received	16a		
b	Taxable amount, if any, from worksheet on page 10 of Instructions		16b	
17	Rents, royalties, partnerships, estates, trusts, etc. (attach Schedule E)		17	23,709-
18	Farm income or (loss) (attach Schedule F) ▶		18	
19a	Unemployment compensation (insurance). Total received	19a		
b	Taxable amount, if any, from worksheet on page 10 of Instructions		19b	
20	Other income (state nature and source—see page 11 of Instructions) ▶ SEE SCHEDULE-4		20	21,365
21	Total income. Add amounts in column for lines 7 through 20 ▶		21	41,060

Adjustments to Income
(See Instructions on page 11)

22	Moving expense (attach Form 3903 or 3903F)	22		
23	Employee business expenses (attach Form 2106)	23		
24	Payments to an IRA (enter code from page 11 1)	24 1,500		
25	Payments to a Keogh (H.R. 10) retirement plan	25		
26	Interest penalty on early withdrawal of savings	26		
27	Alimony paid	27		
28	Disability income exclusion (attach Form 2440)	28		
29	Other adjustments - see page 12 ▶	29		
30	Total adjustments. Add lines 22 through 29 ▶		30	1,500

Adjusted Gross Income

31	Adjusted gross income. Subtract line 30 from line 21. If this line is less than $10,000, see "Earned Income Credit" (line 57) on page 15 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions ▶		31	39,560

Form 1040 (1981) 3-115068-163[illegible]-8 Page 2

Tax Computation (See instructions on page 12)	32a Amount from line 31 (adjusted gross income)			32a	39,560
	32b If you do not itemize deductions, enter zero If you itemize, complete Schedule A (Form 1040) and enter amount from Schedule A, line 41 Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 12 of the instructions. Also see page 12 of the instructions if: ● You are married filing a separate return & your spouse itemizes deductions, OR ● You file Form 4563, OR ● You are a dual-status alien			32b	8,984
	32c Subtract line 32b from line 32a			32c	30,576
	33 Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 6e			33	4,000
	34 Taxable Income. Subtract line 33 from line 32c			34	26,576
	35 Tax. Enter tax here & check if from ☒ Tax Table, ☐ Tax Rate Schedule X,Y,Z ☐ Schedule D ☐ Schedule G ☐ Form 4726			35	8,059
	36 Additional taxes. (See page 13 of instructions) Enter here and check if from ☐ Form 4970, ☐ Form 4972 ☐ Form 5544 ☐ Section 72(m)(5) penalty tax			36	
	37 Total. Add lines 35 and 36 ▶			37	8,059
Credits (See instructions on page 13)	38 Credit for contributions to candidates for public office	38	50		
	39 Credit for the elderly (attach Schedules R&RP)	39			
	40 Credit for child & dependent care expenses (attach Form 2441)	40			
	41 Investment credit (attach Form 3468)	41	276		
	42 Foreign tax credit (attach Form 1116)	42			
	43 Work Incentive (WIN) Credit (attach Form 4874)	43			
	44 Jobs credit (attach Form 5884)	44			
	45 Residential energy credit (attach Form 5695)	45			
	46 Total credits. Add lines 38 through 45			46	326
	47 Balance. Subtract line 46 from line 37 and enter difference (but not less than zero) ▶			47	7,733
Other Taxes (Including Advance EIC Payments)	48 Self-employment tax (attach Schedule SE)			48	
	49a Minimum tax. Attach Form 4625 and check here ▶ ☐			49a	
	49b Alternative minimum tax. Attach Form 6251 and check here ▶ ☐			49b	
	50 Tax from recomputing prior-year investment credit (attach Form 4255)			50	
	51a Social security (FICA) tax on tip income not reported to employer (attach Form 4137)			51a	
	51b Uncollected employee FICA and RRTA tax on tips (from Form W-2)			51b	
	52 Tax on an IRA (attach Form 5329)			52	
	53 Advance earned income credit (EIC) payments received (from Form W-2)			53	
06	54 Total. Add lines 47 through 53 ▶			54	7,733
Payments Attach Forms W-2, W-2G, and W-2P to front.	55 Total Federal income tax withheld	55	5,894		
	56 1981 estimated tax payments & amt applied from 1980 return	56			
	57 Earned income credit. If line 32a is under $10,000, see page 15 of instructions	57			
	58 Amount paid with Form 4868	58			
	59 Excess FICA and RRTA tax withheld (two or more employers)	59	665		
	60 Credit for Federal tax on special fuels & oils (attach Form 4136 or 4136-T)	60			
	61 Regulated Investment Company credit (attach Form 2439)	61			
	62 Total. Add lines 55 through 61 ▶			62	6,559
Refund or Balance Due	63 If line 62 is larger than line 54, enter amount Overpaid ▶			63	
	64 Amount of line 63 to be REFUNDED TO YOU ▶			64	
	65 Amount of line 63 to be applied to your 1982 estimated tax ▶	65			
	66 If line 54 is larger than line 62, enter BALANCE DUE. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number and "1981 Form 1040" on it. ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached. See page 16 of instructions) ▶ $			66	1,174

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ▶ ☒	Preparer's social security no. 062 07 4105
Firm's name (or yours if self-employed) and address ▶	SELGER & BRESSMAN CPA		E.I. No. ▶ 11-2408598
	60 E 42ND STREET		ZIP code ▶ 10017
	NEW YORK	NY	

CFP104

3-115068-163'8

Schedules A & B (Form 1040)
Department of the Treasury
Internal Revenue Service

SCHEDULE A - ITEMIZED DEDUCTIONS

► Attach to Form 1040 ► See Instructions for Schedules A and B (Form 1040).

OMB No. 1545-0074
1981
07

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061-30-8534

Medical and Dental Expenses

1 One half (but not more than $150) of insurance premiums for medical care. (Be sure to include in line 10 below) ►		150
2 Medicine and drugs		
3 Enter 1% of line 31, F1040	396	
4 Subtract line 3 from line 2		0
5 Enter balance of insurance premiums		150
6 Enter other medical and dental expenses:		
a) Doctors, dentists, nurses, etc.		
b) Hospitals		
c) Transportation		
d Other (itemize): ► SEE SCHEDULE-7		150-
7 Total (add lines 4 through 6d)		
8 Enter 3% of line 31, Form 1040		1,187
9 Subtract line 8 from line 7		0
10 TOTAL (add lines 1 and 9) ►		150

Taxes

11 State and local income	2,801
12 Real estate	3,964
13a General sales (see sales tax tables)	
b) General sales on motor vehicles	
14 Personal property	
15 Other (itemize) ► SEE SCHEDULE-8	613
16 TOTAL TAXES (add lines 11 through 15) ►	7,378

Interest Expense

17 Home mortgage	521
18 Credit and charge cards	
19 Other (itemize) ► SEE SCHEDULE-11	1,125
20 TOTAL (add lines 17 through 19) ►	1,646

CFP003

Contributions

21 a Cash contributions less than $3,000 each SCH 9	1,510
b Cash contributions $3,000 or more each	
22 Other than cash	
23 Carryover from prior years	
24 TOTAL (add lines 21a through 23) ►	1,510

Casualty or Theft Loss

25 Loss before insurance reimbursement	
26 Insurance reimbursement	
27 Subtract line 26 from line 25	
28 Enter $100 or amount on line 27	
29 TOTAL (subtract line 28 from line 27) ►	

Miscellaneous Deductions

30a Union dues	
b Tax return preparation fee	
31 Other (itemize) ►	
32 TOTAL (add lines 30 and 31) ►	

A

39 Total deductions	10.684
40 If you checked Form 1040, Filing Status box: 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700	1,700
41 Subtract line 40 from line 39. Enter here and on Form 1040, line 32b. (If line 40 is more than line 39, see the instructions for line 41 on page 18) ►	8,984

3-115068-1631

Schedules A & B (Form 1040) 1981 S[illegible]ule B – Interest and Dividend Income OMB No. 1545-0074 Page 2

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 051-30-8534

Part I Interest Income

If you received more than $400 in interest or you received any interest from an All-Savers Certificate, you must complete Part I and list ALL interest received. Also complete Part III if you received more than $400 in interest. See page 8 of the Instructions to find out what interest to report. Then answer the questions in Part III, below. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 20 of the Instructions.

Name of payer	Amount
1a Interest income (other than qualifying interest from All-Savers Certificates)	
SEE SCHEDULE 6	
1b Total. Add above amounts	1,058
1c Qualifying interest from All-Savers Certificates (List payers and amounts even if $400 or less.)	
1d Total	
1e Exclusion	
1f Subtract line 1e from line 1d	
2 Total interest income (add lines 1b and 1f). Enter here and on Form 1040, line 8a	1,058

Part II Dividend Income

If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, complete Part II and Part III. Please see page 9 of the instructions. Then answer the questions in Part III, below. If you received dividends as a nominee for another, please see page 21 of the instructions.

Name of payer		Amount
3		
4 Total. Add above amounts		
5 Capital gain distributions. Enter here and on line 13 Schedule D. See note below		
6 Nontaxable distributions (See Instructions for adjustment to basis.)		
7 Total (add lines 5 and 6)		
8 Total dividend income (subtract line 7 from line 4). Enter here and on Form 1040, line 9b		

Note: If you received capital gain distributions for the year and you do not need Schedule D to report any other gains or losses or to compute the alternative tax, do not file that schedule. Instead, enter 40% of your capital gain distributions on Form 1040, line 13.

B

Part III Foreign Accounts and Foreign Trusts

If you received more than $400 of interest or dividends, OR if you had a foreign account or were a grantor of, or a transferor to, a foreign trust, you must answer both questions in Part III. Please see page 21 of the Instructions.

	Yes	No
9 At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country?		X
10 Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A, or 926		X

CFP645 343-059-1

3-115068-16318

SCHEDULE D
(Form 1040)
Department of the Treasury
Internal Revenue Service

CAPITAL GAINS AND LOSSES

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)

► Attach to Form 1040. ► See Instructions for Schedule D (Form 1040.)

OMB No. 1545-0074
1981
14

Names as shown on Form 1040: JOHN A ZACCARO

Social Security Number: 061-30-8534

Part I Short-term Capital Gains and Losses – Assets Held One Year or Less **D**

1 a. Kind of property and description (Example, 100 shares of 'Z' Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions)	f. LOSS If (e) is more than (d), subtract (d) from (e)	g. GAIN If (d) is more than (e), subtract (e) from (d)
			SEE FORM 36		16,252	

	f	g
2a Gain from sale or exchange of a principal residence held one year or less, from Form 2119, lines 7 or 11		
b Short-term capital gain from installment sales from Form 6252, line 19 or 27		
3 Enter your share of net short-term gain or (loss) from partnerships and fiduciaries		
4 Add lines 1 through 3 in column f and column g	(16,252)	
5 Combine line 4, column f and line 4, column g and enter the net gain or (loss)		16,252-
6 Short-term capital loss carryover from years beginning after 1969		( )
7 Net short-term gain or (loss), combine lines 5 and 6		16,252-

Part II Long-term Capital Gains and Losses – Assets Held More Than One Year

8 a. Kind of property and description	b. Date acquired	c. Date sold	d. Gross sales price less expense of sale	e. Cost or other basis	f. LOSS	g. GAIN
			SEE FORM 36			9,456

	f	g
9a Gain from sale or exchange of a principal residence held for more than one year, from Form 2119, lines 7, 11, 16 or 18		
b Long-term capital gain from installment sales from Form 6252, line 19 or 27		
10 Enter your share of net long-term gain or (loss) from partnerships and fiduciaries		
11 Add lines 8 through 10 in column f and column g	( )	9,456
12 Combine line 11, column f and line 11, column g and enter the net gain or (loss)		9,456
13 Capital gain distributions		
14 Enter gain from Form 4797, line 5(a) (1)		
15 Enter your share of net long-term gain from small business corporations (Subchapter S)		
16 Combine lines 12 through 15		5,456
17 Long-term capital loss carryover from years beginning after 1969		(
18 Net long-term gain or (loss), combine lines 16 and 17		9,456

Note: Complete this form on reverse. However, if you have capital loss carryovers from years beginning before 1970, do not complete Parts III or V. See Form 4798 instead.

CFP005

3-115068-16318

Schedule D (Form 1040) 1981 Page 2

Part III Summary of Parts I and II

19	Combine lines 7 and 18, and enter the net gain or (loss) here	6,796-
	Note: If line 19 is a gain complete lines 20 through 22. If line 19 is a loss complete lines 23 and 24.	
20	If line 19 shows a gain, enter the smaller of line 18 or line 19. Enter zero if there is a loss or no entry on line 18	
21	Enter 60% of line 20	
	If line 21 is more than zero, you may be liable for the alternative minimum tax. See Form 6251.	
22	Subtract line 21 from line 19. Enter here and on Form 1040, line 12	
23	If line 19 shows a loss, enter one of the following amounts: (i) If line 7 is a zero or a net gain, enter 50% of line 19, (ii) If line 18 is zero or a net gain, enter line 19; or, (iii) If line 7 and line 18 are net losses, enter amount on line 7 added to 50% of the amount on line 18	6,796-
24	Enter here and as a loss on Form 1040, line 12, the smallest of: (i) The amount on line 23; (ii) $3,000 ($1,500 if married and filing a separate return); or, (iii) Taxable income, as adjusted	1,500-

Part IV Computation of Alternative Tax
(Complete this part if line 20 (or Form 4798, line 8) shows a gain and your tax rate is above 50%. See Instructions page 23.)

25	Net short-term gain or (loss) from line 5, from sales or exchanges after June 9, 1981	
26	Net long-term gain or (loss) from line 16, from sales or exchanges after June 9, 1981	
27	If line 26 shows a gain, combine line 25 and line 26. If line 26 or this line shows a loss or zero, enter zero and do not complete the rest of this part	
28	Enter the smaller of line 26 or line 27	
29	Enter the smaller of line 20 (or Form 4798, line 8) or line 28	
30	Enter your Taxable Income from Form 1040, line 34	
31	Enter 40% of line 29	
32	Subtract line 31 from line 30. If line 31 is more than line 30, enter zero	
33	Tax on amount on line 32. ☐ Tax Rate Schedule X, Y or Z; ☐ Schedule G. (See instructions page 23)	
34	Enter 20% of line 29	
35	Add lines 33 and 34. If the result is less than your tax using other methods, enter this amount on Form 1040, line 35 and check Schedule D box	

Part V Computation of Post-1969 Capital Loss Carryovers from 1981 to 1982
(Complete this part if the loss on line 23 is more than the loss on line 24)

Section A. – Short-term Capital Loss Carryover

36	Enter loss shown on line 7; if none, enter zero and skip lines 37 through 41 – then go to line 42	16,252-
37	Enter gain shown on line 18. If that line is blank or shows a loss, enter zero	9,456
38	Reduce any loss on line 36 to the extent of any gain on line 37	6,796-
39	Enter amount shown on line 24	1,500-
40	Enter smaller of line 38 or 39	1,500-
41	Subtract line 40 from line 38. This is your short-term capital loss carryover from 1981 to 1982	5,296-

Section B. – Long-term Capital Loss Carryover

42	Subtract line 40 from line 39 (NOTE: If you skipped lines 37 through 41, enter from line 24)	0
43	Enter loss from line 18; if none, enter zero and skip lines 44 through 47	0
44	Enter gain shown on line 7. If that line is blank or shows a loss, enter zero	
45	Reduce any loss on line 43 to the extent of any gain on line 44	
46	Multiply amount on line 42 by 2	
47	Subtract line 46 from line 45. This is your long-term capital loss carryover from 1981 to 1982	

Part VI Complete this Part Only if You are Electing Out of the Installment Method And are Reporting a Note or Other Obligation at Less Than Full Face Value

☐ Check here if you elect out of the installment method.

Enter the face amount of the note or other obligation ▶

Enter the percentage of valuation of the note or other obligation ▶

SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

SUPPLEMENTAL INCOME SCHEDULE

(From rents and royalties, partnerships, estates and trusts, etc.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074
1981
15

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061-30-8534

Part I Rent and Royalty Income or Loss.

1 Are any of the expenses listed below for a vacation home or similar dwelling rented to others (see instructions)? ☐ YES ☐ NO

2 If you checked "Yes" to question 1, did you or a member of your family occupy the vacation home or similar dwelling for more than 14 days during the tax year? ☐ YES ☐ NO

Rental and Royalty Income (describe property in Part V)		Properties A	B	C	Totals	
3 a Rents received b Royalties received					3	
Rental and Royalty Expenses						
4 Advertising	4					
5 Auto and travel	5					
6 Cleaning and maintenance	6					
7 Commissions	7					
8 Insurance	8					
9 Interest	9					
10 Legal and other professional fees	10					
11 Repairs	11					
12 Supplies	12					
13 Taxes (do NOT include Windfall Profit Tax, see Part III, line 35)	13					
14 Utilities	14					
15 Wages and salaries	15					
16 Other (list) ▶						
17 Total deductions (add lines 4 through 16)	17				17	
18 Depreciation expense (see instructions), or Depletion (attach computation)	18				18	
19 Total (add lines 17 and 18)	19					
20 Income or (loss) from rental or royalty properties (subtract line 19 from line 3a (rents) or 3b (royalties))	20					
21 Add properties with profits on line 20, and enter total profits here					21	
22 Add properties with losses on line 20, and enter total (losses) here					22	( )
23 Combine amounts on lines 21 and 22, and enter net profit or (loss) here					23	
24 Net farm rental profit or (loss) from Form 4835, line 50					24	
25 Total rental or royalty income or (loss). Combine amounts on lines 23 and 24. Enter here and include in line 37 on page 2					25	

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Part II Income or Losses from Partnerships, Estates or Trusts or Small Business Corporations

If you have a loss reported below, do you have amounts for which you are not "at risk" in that loss activity (see instructions)?
Yes X No If "Yes," and your loss exceeded your amount "at risk," did you limit your loss to your amount "at risk"? Yes No

	(a) Name	(b) Employer identification number	(c) Net loss (see instructions for "at risk" limitations)	(d) Net income
Partnerships	SEE FORM 44			
	26 Add amounts in columns (c) and (d) and enter here	26	(29,633)	
	27 Combine amounts in columns (c) and (d), line 26 and enter net income or (loss)		27	29,633-
	28 Additional first-year depreciation		28	( )
	29 Total partnership income or (loss). Combine lines 27 and 28. Enter here and include in line 37		29	29,633-
Estates or Trusts				
	30 Add amounts in columns (c) and (d) and enter here	30	( )	
	31 Total estate or trust income or (loss). Combine amounts in columns (c) and (d), line 30. Enter here and include in line 37		31	
Small Business Corporations	SEE FORM 44			
	32 Add amounts in columns (c) and (d) and enter here	32	( )	5,924
	33 Total small business corporation income or (loss). Combine amounts in columns (c) and (d), line 32. Enter here and include in line 37		33	5,924

Part III Windfall Profit Tax Summary

34 Windfall Profit Tax Credit or Refund received in 1981 (see instructions)	34	
35 Windfall Profit Tax withheld in 1981 (see instructions)	35	( )
36 Combine amounts on lines 34 and 35. Enter here and include in line 37	36	

Part IV Summary

37 TOTAL income or (loss). Combine lines 25, 29, 31, 33, and 36. Enter here and on Form 1040, line 17. ▶		37	23,709-
38 Farmers and fishermen: Enter your share of gross farming and fishing income applicable to Parts I and II	38		

Part V Depreciation Claimed in Part I. – Complete only if the property was placed in service before January 1, 1981. If you need more space, use Form 4562. If you placed any property in service after December 31, 1980, you MUST use Form 4562; do NOT complete Part V.

	(a) Description and location of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in prior years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
Property A							
	Totals (Property A)						
Property B							
	Totals (Property B)						
Property C							
	Totals (Property C)						

3-115068-1631

SCHEDULE SE
(Form 1040)
Department of the Treasury
Internal Revenue Service

Computation of Social Security Self-Employment Tax

▶ See Instructions for Schedule SE (Form 1040)
▶ Attach to Form 1040.

OMB No. 1545-0074
1981
22

Name of self-employed person (as shown on social security card): JOHN A ZACCARO

Social security number of self-employed person ▶ 061-30-8534

Part I Computation of Net Earnings from FARM Self-Employment

REGULAR METHOD			
1 Net profit or (loss) from:			
a Schedule F (Form 1040)	1a		
b Farm partnerships	1b		
2 Net earnings from farm self-employment (add lines 1a and 1b)	2		
FARM OPTIONAL METHOD			
3 If gross profits from farming are:			
a Not more than $2,400, enter two-thirds of the gross profits	3		
b More than $2,400 and the net farm profit is less than $1,600, Enter $1,600			
4 Enter here and on line 12a, the amount on line 2, or line 3 if you elect the farm optional method	4		

Part II Computation of Net Earnings from NONFARM Self-Employment

SE

REGULAR METHOD			
5 Net profit or (loss) from:			
a Schedule C (Form 1040)	5a		
b Partnerships, joint ventures, etc. (other than farming)	5b		
c Service as a minister, member of a religious order, or a Christian Science practitioner. (Include rental value of parsonage or rental allowance furnished.) If you filed Form 4361 and have not revoked that exemption, check here ▶ ☐ and enter zero on this line	5c		
d Service with a foreign government or international organization	5d		
e Other ▶ SEE SCHEDULE 4	5e	19,472	
6 Total (add lines 5a through 5e)	6	19,472	
7 Enter adjustments if any (attach statement)	7		
8 Adjusted net earnings or (loss) from nonfarm self-employment (line 6, as adjusted by line 7). Enter here and on line 12b. (Note: If the amount on line 8 is less than $1,600, you may wish to use the nonfarm optional method instead. See instructions.)	8	19,472	
NONFARM OPTIONAL METHOD (Use only if your earnings from nonfarm self-employment are less than $1,600 and less than two-thirds of your gross nonfarm profits.)			
9 a Maximum amount reportable under both optional methods combined (farm and nonfarm)	9a	$1,600	00
b Enter amount from line 3. (If you have no amount on line 3, enter zero.)	9b		
c Balance (subtract line 9b from line 9a)	9c		
10 Enter two-thirds of gross nonfarm profits or $1,600, whichever is smaller	10		
11 Enter here and on line 12b, the amount on line 9c or line 10, whichever is smaller	11		

Part III Computation of Social Security Self-Employment Tax

12 Net earnings or (loss):			
a From farming (from line 4)	12a		
b From nonfarm (from line 8, or 11 if you elect to use the Nonfarm Optional Method)	12b	19,472	
13 Total net earnings or (loss) from self-employment reported on lines 12a and 12b. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of schedule)	13	19,472	
14 The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement taxes for 1981 is	14	$29,700	00
15 a Total "FICA" wages (from Forms W-2) and "RRTA" compensation — 15a: 43,104			
b Unreported tips subject to FICA tax from Form 4137, line 9 or to RRTA — 15b:			
c Total of lines 15a and 15b	15c	43,104	
16 Balance (subtract line 15c from line 14)	16	0	
17 Self-employment income—line 13 or 16, whichever is smaller	17	0	
18 Self-employment tax. (If line 17 is $29,700, enter $2,762.10; if less, multiply the amount on line 17 by .093) Enter here and on Form 1040, line 48	18	0	

CFP010

3-115068-16318

Form **3468**
Department of the Treasury
Internal Revenue Service

COMPUTATION OF INVESTMENT CREDIT

▶ Attach to your tax return.
▶ Use separate Schedule B (Form 3468) to figure your tentative energy investment credit.

OMB No. 1545-0155
1981
27

Name: JOHN A ZACCARO
Identifying number as shown on page 1 of your tax return: 061-30-8534

Part I Check the box(es) below that apply to you (see Elections for details):

A The corporation elects the basic or basic and matching employee plan percentage under section 48(n)(1) . . . . ☐
B I elect to increase my qualified investment to 100% for certain commuter highway vehicles under section 46(c)(6) . . . . ☐
C I elect to increase my qualified investment by all qualified progress expenditures made this tax year and all later years . . . . ☐
Enter total qualified progress expenditures included in column (4), Part II ▶ ____________
D I claim full credit on certain ships under section 46(g)(3). (See How to Figure the Credit for details.) . . . . ☐

Part II Qualified Investment

Figure your qualified investment in new or used investment credit property acquired or constructed and placed in service during the tax year. The qualified investment for qualified progress expenditures and qualified reabilitation expenditures is allowed in the tax year the expenditure is incurred or in the case of self-constructed property the year the expenditure is chargable to a capital account for the property.

For certain taxpayers the basis or cost of property placed in service after February 18, 1981, is limited to the amount the taxpayer is at risk for the property at year end. See Instruction E.

NOTE: Include your share of investment in property made by a partnership, estate, trust, small business corporation, or lessor.

1 Recovery Property	Line	(1) Recovery Period	(2) Basis of cost	(3) Applicable percentage	(4) Qualified investment (Column 2 x column 3)
New	(a)	3-Year		60	
	(b)	Other	2,764	100	2,764
Used	(c)	3-Year		60	
	(d)	Other		100	
2 Total--Add lines 1(a) through 1(d)				2	2,764

3 Nonrecovery Property	Line	(1) Life years	(2) Basis or cost	(3) Applicable percentage	(4) Qualified investment (Column 2 x column 3)
New property	(a)	3 or more but less than 5		33 1/3	
	(b)	5 or more but less than 7		66 2/3	
	(c)	7 or more		100	
Used property	(d)	3 or more but less than 5		33 1/3	
	(e)	5 or more but less than 7		66 2/3	
	(f)	7 or more		100	

4 Total--Add lines 3(a) through 3(f)	4	
5 New commuter highway vehicle--Enter total qualified investment. (See instruction D)	5	
6 Used commuter highway vehicle	6	
7 Qualified rehabilitation expenditures incurred before January 1, 1982, for: (see specific instructions) (a) Improvements with 5 or more but less than 7 years--Enter 66 2/3 of expenditures	7(a)	
(b) Improvements with 7 or more life years--Enter 100% of expenditures	7(b)	
8 Total qualified investment in 10% property--Add lines 2, 4, 5, 6, 7(a) and7(b). (See instructions for special limits).	8	2,764
9 Enter 100% of qualified rehabilitation expenditures incurred after December 31, 1981 for: . . . . . . (a) For 30-year old buildings	9a	
(b) For 40-year old buildings	9b	
(c) For certified historic structures (enter the Dept. of Interior assigned project number ____________)	9c	
10 Total qualified investment--Add lines 8, 9(a), 9(b), and 9(c)	10	2,764

Part III Tentative Regular Investment Credit

11 10% of line 8	11	276
12 15% of line 9(a)	12	
13 20% of line 9(b)	13	
14 25% of line 9(c)	14	
15 Corporations electing the basic or basic and matching employee plan percentage for contributions to tax credit employee stock ownership plans--Checkbox A above (see instruction D) (a) Basic 1% credit--Enter 1% of line 10	15a	
(b) Matching credit (not more than 0.5%)--Enter allowable percentage times adjusted line 10 (attach schedule)	15b	
16 Credit from Cooperative--Enter regular in vestment credit from cooperatives	16	
17 Current year regular investment credit--Add lines 11 through 16	17	276
18 Carryover of unused credits	18	
19 Carryback of unused credits	19	
20 Tentative regular investment credit--Add lines 17, 18, 19, enter here and in Part IV, line 21	20	276

For Paperwork Reduction Act Notice, see page 1 of the instructions.
CFP059

Form 3468 (1981)

Part IV Tax Liability Limitations

21 Tentative credit from Part III, line 20			21	276
22 (a) Individuals--Enter amount from Form 1040, line 37, page 2 (b) Estates and trusts--Enter amount from Form 1041, line 26, page 1 (c) Corporations--Enter amount from Schedule J (Form 1120), line 3, page 3 (d) Others--Enter tax before credits from your return			22	8,059
23 (a) Credit for the elderly (individuals only)	23(a)			
(b) Foreign tax credit	23(b)			
(c) Tax on lump-sum distribution from Form 4972 or Form 5544	23(c)			
(d) Possessions corporation tax credit (corporations only)	23(d)			
(e) Section 72(m)(5) penalty tax (individuals only)	23(e)			
24 Total--Add lines 23(a) through 23(e)			24	
25 Subtract line 24 from line 22			25	8,059
26 (a) Enter smaller of line 25 or $25,000. See instruction for line 26			26(a)	8,059
(b) If line 25 is more than line 26(a), and your tax year ends in 1981, enter 80% of the excess (If your tax year ends in 1982, enter 90% of the excess)			26(b)	
27 Regular investment credit limitation--Add lines 26(a) and 26(b)			27	8,059
28 Allowed regular investment credit--Enter the smaller of line 21 or 27			28	276
29 Business energy investment credit limitation--Subtract line 28 from line 25			29	7,783
30 Business energy investment credit--Enter amount from line 14 of Schedule B (Form 3468)			30	
31 Allowed business energy investment credit--Enter smaller of line 29 or line 30			31	
32 Total allowed regular and business energy investment credit--Add lines 28 and 31. Enter here and on Form 1040, line 41; Schedule J (Form 1120), line 4(b), page 3; or the proper line on other returns			32	276

Paperwork Reduction Act Notice.--The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and so that we can figure and collect the correct amount of tax. You are required to give us this information.

3-115068-16318

Form **6251**

Department of the Treasury
Internal Revenue Service

ALTERNATIVE MINIMUM TAX COMPUTATION

▶ See instructions on back
▶ Attach to Forms 1040, 1040NR, 1041 or 990-T (Trust).

OMB No. 1545-0227
1981
34

Name(s) as shown on tax return: JOHN A ZACCARO
Identifying number: 061-30-8534

Part I Computation of Alternative Minimum Tax

1	Adjusted gross income from Form 1040, line 32a or Form 1040NR, line 33 (see instructions)			1	39,560
2	Deductions (applies to individuals only):				
	a Enter amount from Form 1040, line 32b or Form 1040NR, line 38	2a	8,984		
	b On your 1981 Form 1040, if you checked Filing Status box { 2 or 5, enter $3,400 1 or 4, enter $2,300 3, enter $1,700 }	2b	1,700		
	c Multiply $1,000 by the total number of exemptions on Form 1040, line 6e	2c	4,000		
	d Add lines 2a through 2c (estates and trusts, enter zero)			2d	14,684
3	Subtract line 2d from line 1			3	24,876
4	Tax preference items:				
	a Adjusted itemized deductions	4a			
	b Capital gain deduction	4b			
	c Add lines 4a and 4b			4c	
5	Alternative minimum taxable income (add lines 3 and 4c)			5	24,876
6	Tax on amount on line 5 from Part IV, line D or Part III line 27			6	1,488
7	Amount from Form 1040, line 47 (see instructions)	7	7,733		
8	Minimum tax from Form 1040, 1041, or 990-T	8			
9	Tax from recomputing prior-year investment credit	9	0		
10	Add lines 7 through 9			10	7,733
11	Subtract line 10 from line 6. If zero or less, do not complete the rest of this form			11	0
12	Foreign tax credit (see instructions)			12	
13	Subtract line 12 from line 11. If line 12 is more than line 11, enter zero			13	
14	Credits allowed against alternative minimum tax from Part II, line 21			14	
15	Alternative minimum tax (subtract line 14 from line 13.) If zero or less, enter zero. Enter here and on Form 1040, line 49b (estates and trusts--see instructions)			15	

Part II Computation of Credits Allowed Against Alternative Minimum Tax

16	Enter amount from line 3 above	16	
17	Enter 66 2/3% of line 4b	17	
18	Subtract line 17 from line 16	18	
19	Tax on amount on line 18 from Part IV, line D	19	
20	Credits, other than Foreign Tax Credit, from Form 1040, line 46. (See instructions.)	20	
21	Enter line 19 or line 20, whichever is smaller. Enter here and on line 14 above	21	

Part III See instructions for line 6 before completing this part.

22	Enter amount from line 5 above	22	
23	Enter amount from line 25 of Schedule D (Form 1040 or Form 1041)	23	
24	Subtract line 23 from line 22	24	
25	Tax on amount on line 24 from Part IV, line D	25	
26	Enter amount from line 34 of Schedule D (Form 1040 or Form 1041)	26	
27	Add line 25 and line 26. Enter on line 6 above, only if less than the tax on amount on line 5 from Part IV, line D	27	

Part IV Alternative Minimum Tax Computation Schedules

MARRIED FILING SEPARATELY, OR ESTATE OR TRUST

Not over 10,000 -0-

		Of the amount over	but not over	Tax on amount on line 5	Tax on amount on line 18	Tax on amount on line 24
A.	10%	$ 10,000	$ 30,000	=$ 1,488	=$	=$
B.	20%	$ 30,000	$ 50,000	=$	=$	=$
C.	25%	$ 50,000-		=$	=$	=$
D.	Total (A+B+C)			=$ 1,488	=$	=$

For Paperwork Reduction Act Notice, see back of form.

CPP693

3-115068-1631

JOHN A ZACCARO 061-30-8534

INDIVIDUAL RETIREMENT ARRANGEMENT - IRA - DEDUCTION - 1981

X 1. ONE INDIVIDUAL IRA.
2. TWO INDIVIDUAL IRA-S.
3. ONE INDIVIDUAL IRA AND ONE SPOUSAL IRA.
4. ONE SEP.
5. TWO SEP-S.
6. ONE INDIVIDUAL IRA AND ONE SEP.

1. AMOUNT PAID TO YOUR IRA. - DO NOT INCLUDE ROLLOVERS OR YOUR EMPLOYER-S SEP PAYMENTS.	1,500
2. YOUR EMPLOYER-S SEP PAYMENTS TO YOUR IRA	
3. ADD LINES 1 AND 2.	1,500
4A AMOUNT PAID TO YOUR NON-WORKING SPOUSE-S IRA. - DO NOT INCLUDE ROLLOVERS.	
4B ELIGIBLE EXCESS PAYMENTS MADE IN EARLIER YEARS. SEE INSTRUCTIONS FOR FORM 5329, LINE 3.	
5. ADD LINES 3, 4A AND 4B	1,500
6. WAGES AND OTHER EARNED INCOME FROM FORM 1040. - DO NOT INCLUDE SPOUSE-S INCOME AND DO NOT REDUCE YOUR WAGES BY LOSSES FROM SELF EMPLOYMENT.	62,576
7. ENTER EMPLOYER-S SEP PAYMENTS.	
8. SUBTRACT LINE 7 FROM LINE 6. ENTER RESULT.	62,576
COMPLETE LIMITATION 9, 10, OR 11 BELOW, WHICHEVER ONE APPLIES TO YOU. IF YOUR EMPLOYER CONTRIBUTES TO YOUR IRA AND YOUR NON-WORKING SPOUSE-S IRA UNDER A SEP, USE THE LIMITATION ON LINE 10.	
9. REGULAR IRA. ENTER 1,500 OR 15 PCT. OF LINE 8, WHICHEVER IS SMALLER	1,500
10. IRA FOR YOU AND YOUR NON-WORKING SPOUSE. ENTER THE SMALLEST OF - A. 15 PCT. OF LINE 8, OR B. 1,750, OR C. 2 TIMES THE AMOUNT ON LINE 3, OR D. 2 TIMES THE AMOUNT ON LINE 4A.	
11. SIMPLIFIED EMPLOYEE PENSION -SEP- ENTER THE SMALLER OF- A. 15 PCT. OF LINE 8, OR B. THE TOTAL OF- LINE 2, BUT NOT MORE THAN 7500, AND 1,500 MINUS LINE 2, BUT NOT LESS THAN ZERO	
12. ALLOWABLE DEDUCTION. ENTER THE SMALLER OF - A. THE AMOUNT FROM LINE 5, OR B. YOUR LIMITATION FROM LINE 9, 10 OR 11. ALSO ENTER ON FORM 1040, LINE 25	1,500

NOTE- IF LINE 5 IS LARGER THAN LINE 12 AND YOU DO NOT WITHDRAW THIS EXCESS PAYMENT BEFORE THIS RETURN IS DUE, YOU MUST FILE FORM 5329 AND PAY THE TAX DUE.

FORM 11 – 1981 REGULAR + / TR LINE — TAXPAYER IDENTIFICATION DA PREPARER OPTIONS ESTIMATEE — INCOME AVERAGING K & 2210 INFORMATION — OMIT CENTS

PREPARER NAME SEIDER S BRESSMAN CPA TELEPHONE NO. (212) 697-3395	(1) 3	(2) ACCOUNT NO (7) 115369	(8) JOB NUMBER (12) 1631	(17 18) 11	ADP USE ONLY R # 11 334243	(80) TAXPAYER S S S NO (98) 061 30 8534

(20-21)	(22) TAXPAYER'S FIRST NAME & INIT (37)	(38) SPOUSE'S FIRST NAME & INIT (63)	(64) LAST NAME (70)	(71) SPOUSE S S S NO (79)
01	JOHN A		ZACCARO	

02	(22) STREET ADDRESS (44)	(45) CITY (63)	(64) COUNTY (79)
	22 DEEPDENE RD	FOREST HILLS	QUEENS

03	(22) STATE (36)	(37) ZIP (41)	(42) TAXPAYER'S OCCUPATION (63)	(64) SPOUSE'S OCCUPATION (79)
	NY	11375	BROKER	

04	(22) CARE OF NAME (70)

05 ENTER SPOUSE'S FULL NAME IF MARRIED FILING SEPARATELY	(22) SPOUSE'S NAME (53)	(54) SPOUSE S S S NO (62)	(63) NAME OF PERSON QUALIFYING TAXPAYER AS UNMARRIED HEAD OF HOUSEHOLD (80)

FILING STATUS ENTER ONE OF THE FOLLOWING

1 SINGLE
2 MARRIED – JOINT
3 HEAD OF HOUSE
*4 SURV. WIDOW(ER)
5 MARRIED – SPOUSE NOT FILING
MARRIED – FILING SEPARATE SPOUSE IS FILING
6 ITEMIZED
7 STAND. DEDUCTION
8 LOWEST METHOD

12: 6

DATE DECEASED ENTER MO. DAY YR.	TAXPAYER	13		SPOUSE	14
*ENTER YEAR SPOUSE DIED FOR FILING STATUS 4 (TWO DIGITS)					15

RESIDENT SCHOOL CODES N.Y. MICH. OHIO & PA		AGE SELF		AGE SPOUSE		BLIND DIGIT 1 SELF	BLIND DIGIT 1 SPOUSE
16	519	17		18		19	20

STATE/CITY RESIDENT & NON-RESIDENT RETURN CODING (ENTER DIGIT 1 TO REQUEST PROPER RETURN)

N.Y. STATE RESIDENT	21	1	N.J. RESIDENT	26	
N.Y. CITY RESIDENT	22	1	N.J. TT 383 AND N.J. 1040 NR — TAXPAYER	27	
N.Y. CITY NON RESIDENT	23		N.J. TT 383 AND N.J. 1040 NR — SPOUSE	28	
N.Y. STATE NON-RESIDENT — TAXPAYER	24		CONN. RESIDENT	29	
N.Y. STATE NON-RESIDENT — SPOUSE	25		NO STATE RETURN	30	
OTHER RESIDENT CODES– ENTER 2 DIGIT CODES	31		MD. COUNTY CODES MICH. & OHIO RESIDENT CITY CODES	32	

FEDERAL INCOME AVERAGING

REFER TO FORM 27 FOR FOREIGN INCOME, ETC.

			ENTER DIGIT 1 TO SUPPRESS INCOME AVERAGING	33	
1980 TAX TABLE INCOME	34	30663	NO. OF 1980 TOTAL EXEMPTIONS	35	6
1979 TAX TABLE INCOME	36	53445	NO. OF 1979 TOTAL EXEMPTIONS	37	6
1978 TAX TABLE INCOME	38	52563	NO. OF 1978 TOTAL EXEMPTIONS	39	6
1977 TAX TABLE INCOME	40	21375	NO. OF 1977 TOTAL EXEMPTIONS	41	6

PREPARER'S OPTIONS

			ENTER DIGIT 1 FOR ADDITIONAL RETURNS	42	
DROP POINT OR COURIER	43	7Y	CLIENT LABELS ENTER 3 OR 6	44	
PRESIDENTIAL ELECTION CAMPAIGN FUND ENTER DIGIT 1	45	1	DO NOT PRINT FIRM NAME ON FORM – DIGIT 1	46	
COULD TAXPAYER BE CLAIMED ON PARENT'S RETURN?	47		TAXPAYER INVOICE	48	
POLITICAL CONTRIBUTIONS — TAXPAYER	49	100	SPOUSE	50	

PREPARER'S SOCIAL SECURITY NUMBER ENTER 9 DIGIT NUMBER

51	132	52	374105	ENTER DIGIT 1 IF PREPARER IS SELF EMPLOYED — 53	1
DO NOT PRINT ADP TAX ORGANIZER FOR 1982 – DIGIT 1	54	1	DO NOT PRINT INPUT AUDIT LIST – DIGIT 1	55	1
DO NOT PRINT TAXPAYER LETTER – DIGIT 1	56		ADP TO MATH INPUT – DIGIT 1	57	

ESTIMATED TAX INFORMATION

1981 ESTIMATED TAX (INCLUDE 1980 OVERPAYMENT CREDITED TO 1981 ESTIMATE PLUS PAYMENTS MADE ON 1981 TAX)	FED	60	
	RES STATE	61	
	CITY	62	
ENTER AMOUNT OF 1981 OVERPAYMENT TO BE CREDITED TO 1982 ESTIMATE – OR – ENTER DIGIT 1 IF OVERPAYMENT IS TO BE CREDITED. ENTER DIGIT 2 IF ESTIMATE IS TO BE THE EXACT AMOUNT OF THE OVERPAYMENT. ENTER DIGIT 3 IF THE OVERPAYMENT IS TO BE APPLIED TO THE FIRST INSTALLMENT ONLY. ANY EXCESS TO BE REFUNDED	FED	63	
	RES STATE	64	
	CITY	65	
ENTER ESTIMATED W-2 WITHHOLDING TAX FOR 1982 IF DIFFERENT THAN 1981 WITHHOLDING TAX	FED	66	
	RES STATE	67	
	CITY	68	
ENTER EXACT DOLLAR AMOUNT OF ESTIMATE DESIRED OR ENTER DIGIT 1 IF ESTIMATE IS TO BE BASED ON THE TOTAL 1981 TAX LIABILITY LESS INCOME TAXES WITHHELD	FED	69	
	RES STATE	70	
	CITY	71	
ENTER NUMBER OF PAYMENTS DESIRED DIGIT 1 – TOTAL DUE 4/15/82 DIGIT 2 – TOTAL DUE 1/15/83 DIGIT 3 – BLANK ESTIMATE IF BLANK – QUARTERLY ESTIMATE ASSUMED	FED	72	
	RES STATE	73	
	CITY	74	

FORM 2210 INFORMATION – REFER TO INSTRUCTIONS

EXCEPTION 1 1980 TAX INCLUDING SCH. SE TAX	75	
EXCEPTION 2 TAX ON 1980 INCOME USING 1981 RATES AND EXEMPTIONS	76	
ENTER DIGIT 1 IF THE COMPUTED PENALTY IS TO BE PRINTED ON FORM 1040, PAGE 2, LINE 66. ENTER DIGIT 2 IF YOU WANT ADP TO PRINT FORM 2210 REGARDLESS OF APPLICABILITY	77	

IF UNEQUAL PAYMENTS WERE MADE DURING THE YEAR ENTER THE AMOUNTS PAID ON ESTIMATED TAX AND THE TAX WITHHELD DURING EACH PERIOD. REFER TO INSTRUCTIONS

APR 15 1981		JUNE 15 1981		SEPT 15 1981		JAN 15 1982	
82		83		84		85	

ENTER DIGIT 1 IF YOU REQUEST A 2210F	86	
FOR ADP USE ONLY — PHOTO	91	3

93	A-M	94	1	95	2	96	
97	KP 1905	98	KV 0113	92	KM		

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[illegible] P

ACCOUNT NUMBER	115068	
JOB NUMBER		(17) (18)
		12

FORM 12 – DEPENDENTS, OTHER DEPENDENTS WAGES & OTHER INCOME – 1981

TAXPAYER(S) NAME: JOHN A ZACCARO 361 30 5534

SCHEDULE 1 – DEPENDENT CHILDREN WHO LIVED WITH TAXPAYER NOTE: FOR STATE PURPOSES ENTER "S" FOR SON, "D" FOR DAUGHTER AND THEIR AGE (REFER TO INSTRUCTIONS)

FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	FIRST NAME	S/D	AGE	TOTAL CHILDREN
DONNA	D		LAURA	D								11 3
JOHN	S											

SCHEDULE 2 – OTHER DEPENDENTS

NAME	RELATIONSHIP	NO. MOS. IN HOME	DID DEPENDENT HAVE INCOME OF $1000 OR MORE?	DID YOU PROVIDE MORE THAN ONE-HALF OF DEPENDENT SUPPORT?	TOTAL OTHER DEPENDENTS
					12

SCHEDULE 3 – INCOME FROM WAGES, SALARIES & TIPS (IF GROSS WAGES ARE NOT EQUAL TO FICA WAGES SEE INSTRUCTIONS)

NAME OF EMPLOYER	H/W	F.W.T.	GROSS	F.I.C.A.	S.W.T.	C.W.T.
P. ZACCARO CO. INC.		4652	33104	1975	1445	6
FRATO ASSOC.		1242	10000	665	450	1

ADVANCED EARNED INCOME PAYMENTS RECEIVED								
TAXPAYER	13	TOTAL – TAXPAYER	14 5894	15 43104	16 2640	17 1895	18 770
SPOUSE	19	TOTAL – SPOUSE	20	21	22	23	24

SCHEDULE 3A NON-RESIDENT WAGES DO NOT DUPLICATE YOUR ENTRIES ON THE STATE SHEETS	NEW YORK STATE IT 203 GEORGIA		NEW YORK CITY NYC 203 MICH. CITY NON-RESIDENTS		REGULAR PLUS ONLY 1040SE – LINES 7 & 15(A) ADJUSTMENTS ENTER FICA WAGES AS INDICATED ON FORM W-2 THAT HAVE BEEN INCLUDED IN SCHEDULE C GROSS RECEIPTS.	
	TAXPAYER	SPOUSE	TAXPAYER	SPOUSE	TAXPAYER	SPOUSE
	25	26	27	28	29	30

SCHEDULE 4 – OTHER INCOME

	H.W. OR J	FEDERAL TAXABLE INCOME	RESIDENT STATE-INCOME TAXPAYER	RESIDENT STATE-INCOME SPOUSE
FULLY TAXABLE PENSIONS AND ANNUITIES		47	48	49
STATE AND/OR LOCAL INCOME TAX REFUNDS		50 942	51 942	52
ALIMONY RECEIVED		53	54	55
NET OPERATING LOSS		56 ( )	57 ( )	58 ( )
EXCLUSION FROM FORM 2555		59 ( )	60 ( )	61 ( )
COMMISSION OR FEE INCOME		19472		
DIRECTORS FEES				
GROUP INSURANCE		1893		
TOTALS →		71 22307	72 942	73

TAXPAYER	SPOUSE
PENSION EXCLUSION FOR RESIDENT STATE RETURNS (ENTER AS POSITIVE)	
74	75
REGULAR PLUS ONLY MISCELLANEOUS INCOME (LOSS) SUBJECT TO SELF-EMPLOYMENT TAX	
76 19472	77
REGULAR PLUS ONLY PERSONAL SERVICE INCOME INCLUDED IN MISCELLANEOUS INCOME FOR MAXIMUM TAX COMPUTATION (NOTE: INCLUDE INCOME FROM QUALIFYING PENSIONS & ANNUITIES)	
78 2136	79
UNEMPLOYMENT COMPENSATION ENTER TOTAL AMOUNT RECEIVED.	
80	81
ENTER DIGIT 1 IF TAXPAYER IS MARRIED FILING SEPARATELY AND LIVING WITH SPOUSE	82

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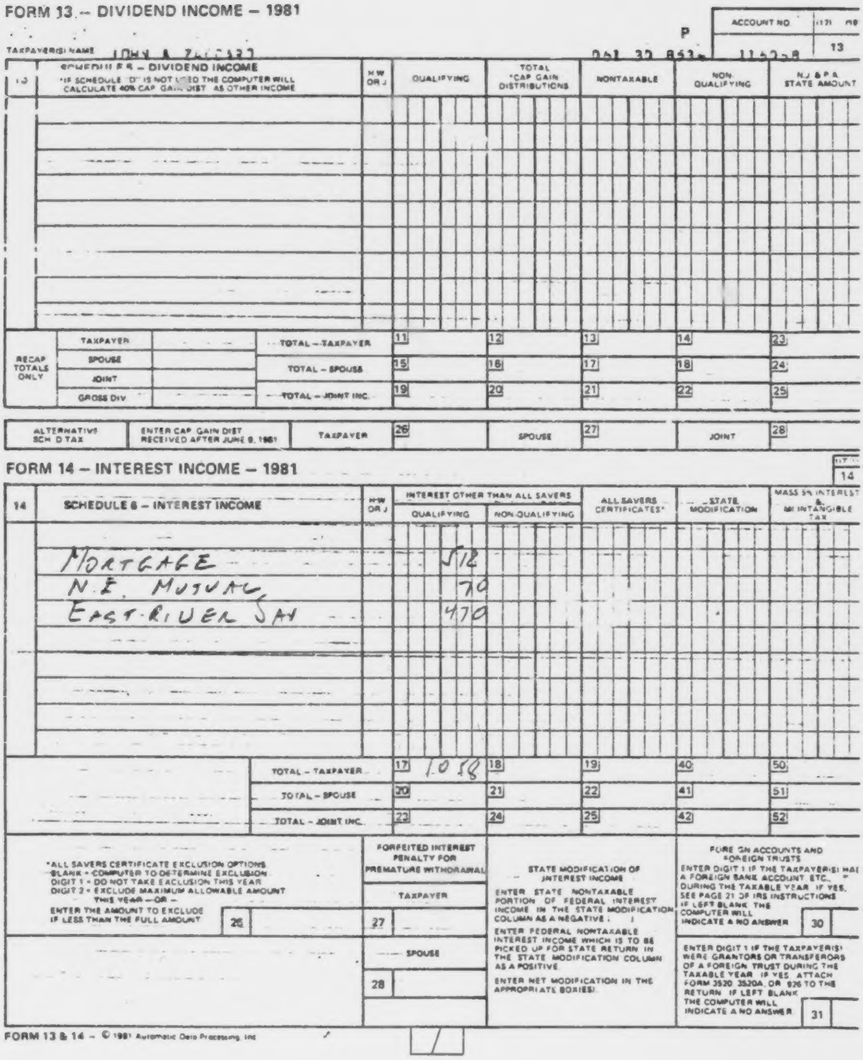
1



FORM 13 – DIVIDEND INCOME – 1981

P

ACCOUNT NO	(17)
115358	13

TAXPAYER(S) NAME JOHN A ZACCARO 061 32 853

13	SCHEDULE B – DIVIDEND INCOME *IF SCHEDULE "D" IS NOT USED THE COMPUTER WILL CALCULATE 40% CAP GAIN DIST AS OTHER INCOME	H W OR J	QUALIFYING	TOTAL *CAP GAIN DISTRIBUTIONS	NONTAXABLE	NON-QUALIFYING	N.J & P.A STATE AMOUNT

RECAP TOTALS ONLY	TAXPAYER		TOTAL – TAXPAYER	11	12	13	14	23
	SPOUSE		TOTAL – SPOUSE	15	16	17	18	24
	JOINT							
	GROSS DIV		TOTAL – JOINT INC.	19	20	21	22	25

ALTERNATIVE SCH D TAX	ENTER CAP GAIN DIST RECEIVED AFTER JUNE 9, 1981	TAXPAYER	26	SPOUSE	27	JOINT	28

FORM 14 – INTEREST INCOME – 1981

14

14	SCHEDULE B – INTEREST INCOME	H W OR J	INTEREST OTHER THAN ALL SAVERS – QUALIFYING	INTEREST OTHER THAN ALL SAVERS – NON-QUALIFYING	ALL SAVERS CERTIFICATES*	STATE MODIFICATION	MASS 5% INTEREST & MI INTANGIBLE TAX
	MORTGAGE		512				
	N.E. MUTUAL		70				
	EAST RIVER SAV		470				

TOTAL – TAXPAYER	17 1058	18	19	40	50
TOTAL – SPOUSE	20	21	22	41	51
TOTAL – JOINT INC.	23	24	25	42	52

*ALL SAVERS CERTIFICATE EXCLUSION OPTIONS
BLANK = COMPUTER TO DETERMINE EXCLUSION
DIGIT 1 = DO NOT TAKE EXCLUSION THIS YEAR
DIGIT 2 = EXCLUDE MAXIMUM ALLOWABLE AMOUNT THIS YEAR —OR—
ENTER THE AMOUNT TO EXCLUDE IF LESS THAN THE FULL AMOUNT 26

FORFEITED INTEREST PENALTY FOR PREMATURE WITHDRAWAL
TAXPAYER 27
SPOUSE 28

STATE MODIFICATION OF INTEREST INCOME

ENTER STATE NONTAXABLE PORTION OF FEDERAL INTEREST INCOME IN THE STATE MODIFICATION COLUMN AS A NEGATIVE ( )

ENTER FEDERAL NONTAXABLE INTEREST INCOME WHICH IS TO BE PICKED UP FOR STATE RETURN IN THE STATE MODIFICATION COLUMN AS A POSITIVE

ENTER NET MODIFICATION IN THE APPROPRIATE BOX(ES)

FOREIGN ACCOUNTS AND FOREIGN TRUSTS

ENTER DIGIT 1 IF THE TAXPAYER(S) HA A FOREIGN BANK ACCOUNT, ETC., DURING THE TAXABLE YEAR. IF YES, SEE PAGE 21 OF IRS INSTRUCTIONS. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER 30

ENTER DIGIT 1 IF THE TAXPAYER(S) WERE GRANTORS OR TRANSFERORS OF A FOREIGN TRUST DURING THE TAXABLE YEAR. IF YES, ATTACH FORM 3520, 3520A, OR 926 TO THE RETURN. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER 31

FORM 13 & 14 – © 1981 Automatic Data Processing, Inc

1359100

FORM 15 – ITEMIZED DEDUCTIONS - 981

P

ACCOUNT NO.	(17) (1
115068	15

TAXPAYERS NAME: JOHN A ZACCARO 061 30 8534

SCHEDULE 7 – MEDICAL & DENTAL

MEDICAL INSURANCE PREMIUMS IN FULL	11	300
MEDICINE AND DRUGS BEFORE EXCLUSION	12	
6a DOCTORS, DENTISTS, ETC. (RECEIPTS & CHECKS)	13	
6b HOSPITALS	14	
6c TRANSPORTATION	15	
6d OTHER MEDICAL (DO NOT DUPLICATE ENTRY OF DRS. ETC.)		
GLASSES, HEARING AIDS, ETC.		
LAB FEES & X-RAYS		
MEDICAL SUPPLIES		
MEDICAL INSURANCE REIMBURSEMENTS		( )
TOTAL MEDICAL (TOTAL OF ALL ITEMS) →	21	150

SCHEDULE 8 – TAXES

RECAP OF STATE &/OR CITY TAX PAYMENTS

1. 1981 WITHHOLDING		266
2. 1981 ESTIMATED TAX PAYMENTS MADE IN 1981		
3. 4TH QUARTER 1980 ESTIMATE PAID IN 1981		
4. BALANCE PAID WITH 1980 RETURN		
5. OTHER PAYMENTS MADE DURING 1981		13
STATE AND LOCAL INCOME (TOTAL LINES 1 TO 5)	50	[illegible]
REAL ESTATE TAX	51	196
GENERAL SALES OPTIONAL COMPUTATION BELOW	52	
SALES TAX ON NEW AUTO	53	
PERSONAL PROPERTY	54	
SALES TAX ON MAJOR PURCHASES		61
STOCK TRANSFER TAX		
NEW JERSEY STATE UNEMPLOYMENT		
FEDERAL DEDUCTIBLE TAXES →	60	73

INFORMATION FOR SALES TAX COMPUTATION

ENTER DIGIT 1 FOR OPTIONAL COMPUTATION	70		
ENTER PERCENT TO ADD TO TABLE (ROUNDED TO NEAREST %)	71		%
INCREASE OR (DECREASE) AGI (SEE INSTRUCTIONS)	72		

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FORM 17 – ITEMIZED DEDUCTIONS (CONTINUED) 1981

TAXPAYERS NAME: JOHN A ZACCARO P 061 30 6534

ACCOUNT NO:	(17-12)
115068	17

SCHEDULE 9 – CONTRIBUTIONS (SEE INSTRUCTIONS)

50% CONTRIBUTIONS		$3000 AND UNDER		OVER $3000
CASH CONTRIBUTIONS (RECEIPTS)		1510		
CHURCH				
TEMPLE				
UNITED JEWISH APPEAL				
UNITED FUND				
HEART FUND				
CANCER FUND				
CAR EXPENSE @ 9¢ MILE				
MISCELLANEOUS CHARITIES				
OTHER CONTRIBUTIONS:				
TOTAL 50% CONTRIBUTIONS	10	1510	11	
CURRENT YEAR CONTRIBUTIONS SUBJECT TO:				
30% LIMITATION	22		23	
20% LIMITATION	24		25	
CONTRIBUTION OTHER THAN CASH			26	
CONTRIBUTION CARRYOVER (ATTACH STATEMENT)		50%	27	
		30%	28	
TOTAL CONTRIBUTIONS (TOTAL OF BOXES 10, 11, 22-28)			29	1510

SCHEDULE 10 – CASUALTY OR THEFT LOSSES

25. LOSS BEFORE REIMBURSE.	(DO NOT MAKE ENTRIES IF MORE THAN 1 CASUALTY OR THEFT LOSS)	30	
26. INSURANCE REIMBURSEMENT.		31	( )
27. SUBTRACT LINE 26 FROM LINE 25.			
28. ENTER SMALLER OF $100 OR LINE 27.			(100)
29. CASUALTY OR THEFT LOSS (LINE 27 LESS LINE 28) (IF MORE THAN ONE LOSS – SEE INSTRUCTIONS)		32	

SCHEDULE 11 – INTEREST EXPENSE

HOME MORTGAGE	40	521
CREDIT AND CHARGE CARDS	41	
AUTO LOAN		
FINANCE CO.		
HOME IMPROVEMENT LOAN		
BANK LOAN		1125
MARGIN ACCOUNT		
TOTAL INTEREST →	50	1646

SCHEDULE 12 – MISCELLANEOUS DEDUCTIONS

UNION DUES	60	
TAX PREPARATION FEE	61	
INVESTMENT EXPENSES		
SAFE DEPOSIT BOX		
PROFESSIONAL DUES		
BUSINESS PUBLICATIONS		
EDUCATION EXPENSES		
UNIFORMS		
WORK TOOLS		
OFFICE IN HOME		
BUSINESS ENTERTAINMENT AND GIFTS		
TOTAL MISCELLANEOUS DEDUCTIONS →	72	

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FORM 36A – SCHEDULE D – CAPITAL GAINS AND LOSSES – 1981

REFER TO FORM 36B FOR CAPITAL LOSS CARRYOVERS & ADDITIONAL INFORMATION

TAXPAYER(S) NAME JOHN A ZACCARO

P	OMIT CENTS		1/181
TAXPAYER SS NO	ACCOUNT NO		36
061 31 8534	11535		

1981 GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

a. KIND OF PROPERTY AND DESCRIPTION	N W J	b. ACQUIRED MO	DAY	YR	c. SOLD MO	DAY	YR	d. GROSS SALES PRICE LESS EXPENSE OF SALE	e. COST OR OTHER BASIS	SHORT TERM f. (LOSS)	SHORT TERM g. GAIN	LONG TERM f. (LOSS)	LONG TERM g. GAIN
							81						
CARRIBOU		01	23	81	02	09	81	1939	2761	822			
							81						
INSTALLMENT							81						
SALE							81						
353 BROOME ST							81						
RECEIVED							81						
5750 x 42.97% -							81	2471					2471
							81						
PARTNERSHIP							81						
SECOND GRAND CO							81	6985					6985
							81						
BAD DEBT							81						
LOAN TO ZELSAM ENERGY							81						
CO. INSOLVENT IN 1981							81						
NO FUNDS AVAILABLE							81		15430	15430			
							81						
							81						
							81						
							81						

(6796	FEDERAL	JAN. 1, TO JUNE 9, 1981	11395	18191	11	16252	15		19		23	9456	
		JUNE 10, TO DEC. 31, 1981			12		16		20		24		
	TOTALS												
	STATE	TAXPAYER			13	16252	17		21		25	9456	
		SPOUSE			14		18		22		26		

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FORM 44 — PARTLY TAXABLE PENSIONS AND ANNUITIES
SCHEDULE E – PARTNERSHIP, ESTATE OR TRUST, SMALL BUSINESS CORP. INCOME – 1981

P 156,780

TAXPAYER'S NAME JOHN A ZACCARO 061 30 0534

ACCOUNT NO	(7) (10)
115068	44

PARTLY TAXABLE PENSION AND ANNUITY INCOME

	DID YOU OR YOUR EMPLOYER CONTRIBUTE PART OF THE COST?	YES		NO	
	IF "YES," IS YOUR CONTRIBUTION RECOVERABLE WITHIN 3 YEARS OF THE ANNUITY STARTING DATE?	YES		NO	
1A	IF "YES," SHOW YOUR CONTRIBUTION $ 1B YOUR CONTRIBUTION RECOVERED IN PRIOR YEARS	1C			
2	AMOUNT RECEIVED THIS YEAR	10			
3	AMOUNT ON LINE 2 THAT IS NOT TAXABLE				
4	TAXABLE PORTION (LINE 2 LESS LINE 3) FEDERAL	11			
	RESIDENT STATE TAXPAYER	12			
	RESIDENT STATE SPOUSE	13			

FOR STATE RETURN ADJUSTMENT ENTER NONTAXABLE PENSION INCOME (E.G. TEACHER'S PENSION) ENTER AS POSITIVE		TAXPAYER	14	
		SPOUSE	15	
ENTER TAXABLE PENSION & ANNUITY INCOME THAT QUALIFIES AS PERSONAL SERVICE INCOME FOR MAXIMUM TAX COMPUTATION		TAXPAYER	50	
		SPOUSE	51	
PART II AT RISK LIMITATION	ENTER DIGIT 1 IF TAXPAYER HAS AMOUNTS FOR WHICH HE IS NOT "AT RISK" IN A LOSS ACTIVITY		52	
	IF A DIGIT 1 IS ENTERED IN BOX 52 ABOVE, AND THE LOSS EXCEEDED THE AMOUNT "AT RISK," DID YOU LIMIT THE LOSS TO THE AMOUNT "AT RISK?" ENTER DIGIT 1 = NO		53	
PART III WINDFALL PROFIT TAX	WINDFALL PROFIT TAX CREDIT OR REFUND RECEIVED IN 1981		54	
	WINDFALL PROFIT TAX WITHHELD IN 1981		55	
FARMERS AND FISHERMEN: ENTER YOUR SHARE OF GROSS FARMING AND FISHING INCOME APPLICABLE TO SCHEDULE E PARTS I AND II			60	

SCHEDULE E — PART II INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPORATIONS

A) NAME, ADDRESS & B) EMPLOYER ID NO.		H OR W	PARTNERSHIPS c) LOSS	PARTNERSHIPS d) INCOME	PARTNERSHIPS 1st YEAR ADD'L DEPREC.	SELF EMPLOYMENT INCOME (LOSS) & PERSONAL SERVICE INCOME FOR MAXIMUM TAX	ESTATES OR TRUSTS c) LOSS	ESTATES OR TRUSTS d) INCOME	SMALL BUS. CORPS c) LOSS	SMALL BUS. CORPS d) INCOME
SECOND GRAND CO										
# 13-3016 186			29633							
P. Zaccaro Co Inc										5924
TOTALS	FEDERAL		17 29633	18	19		20	21	22	23 5924
RESIDENT STATE AND SELF EMPLOYMENT INCOME (LOSS)	TAXPAYER		24 29633	25	26	27	28	29	30	31 5924
	SPOUSE		32	33	34	35	36	37	38	39

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FORM 37 – DATA SHEET #1 1981 (

TAXPAYER(S) NAME: JOHN A. ZACCARO

ACCOUNT NO.	(17-18)
115068	37

ADJUSTMENTS TO FEDERAL INCOME (ENTER AS POSITIVE AMOUNTS)				
DO NOT MAKE ENTRIES IN BOXES 11-14, 17-20 IF YOU ARE SUBMITTING FORMS 41A, 41B, 71 OR 799 (FORM 3903F)		TAXPAYER		SPOUSE
KEOGH CONTRIBUTIONS	11		12	
DO NOT LIMIT KEOGH DEDUCTION, ENTER DIGIT 1	13		14	
ALIMONY PAID	15		16	
EMPLOYEE BUSINESS EXPENSE (MANUALLY PREPARED)	17		18	
FORM 3903F MANUALLY PREPARED	19		20	
FORM 2555 EXPENSES	21		22	
FORESTATION / REFORESTATION AMORTIZATION	23		24	
REPAYMENT OF SUB-PAY UNDER THE TRADE ACT OF 1974	25		26	

PAYMENTS TO AN IRA (FORM 1040, PAGE 1, LINE 24 & 25)

ENTER APPLICABLE CODE CODE IN BOX 27 (CODES 1 TO 6)

1 Individual IRA
2 Two individual IRAs
3 One individual IRA and one spousal IRA
4 One SEP
5 Two SEPs
6 One individual IRA and one SEP

CODE	
27	1

		TAXPAYER		SPOUSE
IRA CODES 4, 5, & 6 ONLY. ENTER DIGIT 1 IF TAXPAYER IS A SCHEDULE C OR F FILER OR A PARTNER WITH A SEP	28		29	
ENTER AMOUNT PAID TO IRA	30	1500	31	
EMPLOYER'S SEP PAYMENTS TO IRA	32		33	
AMOUNT PAID TO YOUR NON-WORKING SPOUSE'S IRA	34		35	
ELIGIBLE EXCESS PAYMENTS MADE IN EARLIER YEARS	36		37	
WAGES & OTHER EARNED INCOME (OVERRIDES COMPUTER)	38		39	
DO NOT LIMIT IRA DEDUCTION (DIGIT 1)	40		41	

INCOME AVERAGING – ADDITIONAL INFORMATION

LINE 4 INCOME EARNED OUTSIDE OF THE UNITED STATES OR WITHIN U.S. POSSESSIONS AND EXCLUDED UNDER SECTIONS 911 AND 931	1980	42	
	1979	43	
	1978	44	
	1977	45	
LINE 7 AMOUNTS RECEIVED BY OWNER-EMPLOYEES SUBJECT TO SEC. 72 (M) (5) PENALTY		46	
LINE 8 EXCESS COMMUNITY INCOME		47	

OTHER CREDITS TO FEDERAL INCOME TAX	1116 FOREIGN TAX CREDIT (MANUALLY PREPARED)	49	
	6478 ALCOHOL FUEL CREDIT	50	
	5884 JOBS CREDIT (MANUALLY PREPARED)	51	
	3468 ENERGY CREDIT (MANUALLY PREPARED)	52	
	CREDIT FOR FUEL FROM A NONCONVENTIONAL SOURCE	53	
	6765—CREDIT FOR INCREASING RESEARCH ACTIVITES	54	
	CREDIT FOR REPAYMENT OF SUB-PAY UNDER TRADE ACT OF 1974	55	
OTHER TAXES	4970 TAX FROM ACCUMULATION TRUSTS	56	
	4972 SPECIAL 10 YEAR AVERAGING METHOD (MANUALLY PREPARED)	57	
	5544 MULTIPLE RECIPIENT SPECIAL 10 YEAR AVERAGING METHOD	58	
	RESIDENCE CREDIT RECAPTURE - FORM 1040, PAGE 2, LINE 36	59	
	4255 INVESTMENT CREDIT RECAPTURE TAX (MANUALLY PREPARED)	60	
	4137 SOC. SEC. TAX ON UNREPORTED TIP INCOME	61	
	W-2 UNCOLLECTED EMPLOYEE SOC. SEC. – TIPS	62	
	5329 TAX ON AN IRA – FORM 1040, PAGE 2, LINE 52	63	
OTHER PAYMENTS & FEDERAL EXTENSION DATA	2439 REGULATED INVESTMENT COMPANY CREDIT	64	
	TAX FREE COVENANT BOND CREDIT	65	
	OVERPAID WINDFALL PROFITS TAX	66	
	4868 AMOUNT PAID WITH APPLICATION FOR AUTOMATIC EXTENSION OR ENTER DIGIT 1, 2 OR 3 (SEE INSTR.)	67	
	ENTER THE EXTENDED FILING DUE DATE OF THE RETURN	68	
OPTIONAL FEDERAL FILING ADDRESS—SEE INSTRUCTIONS		69	

OTHER ITEMS

ENTER DIGIT 1 IF TAXPAYER MUST ITEMIZE DEDUCTIONS (DUAL STATUS ALIEN OR FILING FORM 4563)		72	
EARNED INCOME CREDIT – LINE 2 – ENTER AMOUNT TO OVERRIDE SCHEDULE SE, LINE 13		73	
EARNED INCOME CREDIT – ENTER DIGIT 1 IF EARNED INCOME CREDIT SHOULD NOT BE COMPUTED		74	
LIMITED STANDARD DEDUCTION OF CHILD WITH UNEARNED INCOME. ENTER TOTAL EARNED INCOME (LOSS) IF TAXPAYER'S EARNED INCOME INCLUDED MORE THAN INCOME FROM WAGES & SCHEDULE C AND/OR F.		75	
REPAYMENT OF 1980 – UC AMOUNTS. ENTER PORTION OF TOTAL UNEMPLOYMENT COMPENSATION SHOWN ON FORM 12 THAT WAS REPAID IN 1981.	TAXPAYER	76	
	SPOUSE	77	

FORM 3468 – INVESTMENT CREDIT – REGULAR + ONLY (EXECUTAX – USE FORMS 19 &/ OR 38)

		NEW		USED			
LINE 1 – RECOVERY PROPERTY		NEW		USED	QUALIFIED PROGRESS EXPENDITURES – PART 1, LINE C	90	
RECOVERY PERIOD – 3 YEARS	78		79		QUALIFIED REHABILITATION EXPENDITURES INCURRED BEFORE JANUARY 1, 1982		
RECOVERY PERIOD –OTHER	80	2764	81		LINE 7A – LIFE YEARS 5 TO 7	91	
LINE 2 – NONRECOVERY PROPERTY		NEW		USED	LINE 7B – LIFE YEARS 7 OR MORE	92	
LIFE YEARS 3 - 5	82		83		REGULAR INVESTMENT CREDIT ALLOCATED FROM COOPERATIVE	93	
LIFE YEARS 5 - 7	84		85		ENTER CARRYOVER OF UNUSED CREDITS—FORM 3468, LINE 18	94	
LIFE YEARS 7 OR MORE	86		87		TAX ON LUMP SUM DISTRIBUTIONS, LINE 23C	95	
COMMUTER HIGHWAY VEHICLE	88		89		TENTATIVE BUSINESS ENERGY INVESTMENT CREDIT SCHEDULE B, LINE 14	96	

4549-00 073 . 03

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return 1982

For the year January 1–December 31, 1982, or other tax year beginning , 1982, ending , 19 . OMB No. 1545-0074

Your first name and initial (if joint return, also give spouse's name and initial) JOHN A	Last name ZACCARD	Your social security number 061-30-8534
Present home address 22 DEEPDANE RD	EXHIBIT NO. 18	Spouse's social security no. 100-28-1600
City, town or post office, State and ZIP code FOREST HILLS NY 11375		Your occupation ▶ BROKER Spouse's occupation ▶

Presidential Election Campaign
Do you want $1 to go to this fund? ☒ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☐ Yes ☐ No
Note: Checking "Yes" will not increase your tax or reduce your refund.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Filing Status
Check only one box.

1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Enter spouse's social security number above and full name here ▶ GERALDINE ZACCARD
4 ☐ Head of household (with qualifying person). (See page 6 of Instructions.) If the qualifying person is your unmarried child but not your dependent, enter child's name ▶
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions.)

Exemptions
Always check the box labeled Yourself. Check other boxes if they apply.

6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1
c First names of your dependent children who lived with you ▶ DONNA, LAURA, JOHN A JR
Enter number of children listed on 6c ▶ 3

d Other dependents:

(1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶
e Total number of exemptions claimed
Add numbers entered in boxes above ▶

Income
Please attach Copy B of your Forms W-2 here.
If you do not have a W-2, see page 5 of Instructions.
Please attach check or money order here.

7	Wages, salaries, tips, etc. SEE STATEMENT 1	7	53,706.
8	Interest income (attach Schedule B if over $400 or you have any All-Savers interest)	8	516.
9a	Dividends (attach Schedule B if over $400) 9a		
b	Exclusion 9b		
c	Subtract line 9b from line 9a	9c	
10	Refunds of State and local income taxes	10	
11	Alimony received	11	
12	Business income or (loss) (attach Schedule C) ▶	12	38,870.
13	Capital gain or (loss) (attach Schedule D)	13	-1,500.
14	40% capital gain distributions not reported on line 13 (See page 9 of Instructions)	14	
15	Supplemental gains or (losses) (attach Form 4797)	15	
16	Fully taxable pensions, IRA distributions, and annuities not reported on line 17	16	
17a	Other pensions and annuities. Total received 17a		
b	Taxable amount, if any, from worksheet on page 10 of Instructions	17b	
18	Rents, royalties, partnerships, estates, trusts, etc. (attach Schedule E)	18	-3,689.
19	Farm income or (loss) (attach Schedule F) ▶	19	
20a	Unemployment compensation (insurance). Total received 20a		
b	Taxable amount, if any, from worksheet on page 10 of Instructions	20b	
21	Other income ▶ SEE STATEMENT 4	21	2,682.
22	Total income. Add amounts in column for lines 7 through 21 ▶	22	90,585.

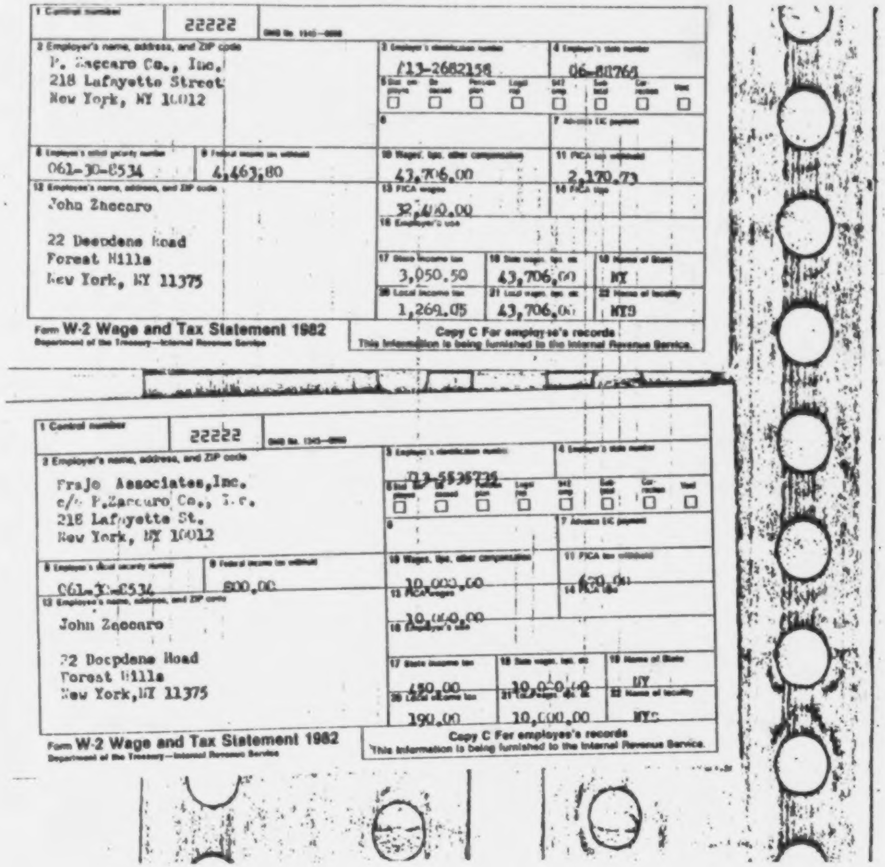
Adjustments to Income
(See Instructions on page 11)

23	Moving expense (attach Form 3903 or 3903F)	23			
24	Employee business expenses	24			
25	Payments to an IRA. Enter code from page 11 (1).	25	2,000.		
26	Payments to a Keogh (H.R.10) retirement plan	26	5,000.		
27	Penalty on early withdrawal of savings	27			
28	Alimony paid	28			
29	Deduction for married couple when both work (attach Schedule W)	29			
30	Disability income exclusion (attach Form 2440)	30			
31	Total adjustments. Add lines 23 through 30 ▶			31	7,000.

Adjusted Gross Income

32	Adjusted gross income. Subtract line 31 from line 22. If this line is less than $10,000, see "Earned Income Credit" (line 62) on page 15 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions ▶	32	83,585.

01-2306893



1 Control number 22222
OMB No. 1545—0008
2 Employer's name, address, and ZIP code
P. Zaccaro Co., Inc.
218 Lafayette Street
New York, NY 10012
3 Employer's identification number 13-2682158
4 Employer's State number 06-80768
5 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
6
7 Advance EIC payment
8 Employee's social security number 061-30-8534
9 Federal income tax withheld 4,463.80
10 Wages, tips, other compensation 43,706.00
11 FICA tax withheld 2,170.73
12 Employee's name, address, and ZIP code
John Zaccaro

22 Deepdene Road
Forest Hills
New York, NY 11375
13 FICA wages 32,400.00
14 FICA tips
16 Employer's use
17 State income tax 3,050.50
18 State wages, tips, etc. 43,706.00
19 Name of State NY
20 Local income tax 1,269.05
21 Local wages, tips, etc. 43,706.00
22 Name of locality NYC
Form W-2 Wage and Tax Statement 1982
Department of the Treasury—Internal Revenue Service
Copy C For employee's records
This information is being furnished to the Internal Revenue Service.

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1 Control number 22222
OMB No. 1545—0008
2 Employer's name, address, and ZIP code
Frajo Associates, Inc.
c/o P.Zaccaro Co., Inc.
218 Lafayette St.
New York, NY 10012
3 Employer's identification number 13-5536735
4 Employer's State number
5 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
6
7 Advance EIC payment
8 Employee's social security number 061-30-8534
9 Federal income tax withheld 800.00
10 Wages, tips, other compensation 10,000.00
11 FICA tax withheld 670.00
12 Employee's name, address, and ZIP code
John Zaccaro

22 Deepdene Road
Forest Hills
New York, NY 11375
13 FICA wages 10,000.00
14 FICA tips
16 Employer's use
17 State income tax 450.00
18 State wages, tips, etc. 10,000.00
19 Name of State NY
20 Local income tax 190.00
21 Local wages, tips, etc. 10,000.00
22 Name of locality NYC
Form W-2 Wage and Tax Statement 1982
Department of the Treasury—Internal Revenue Service
Copy C For employee's records
This information is being furnished to the Internal Revenue Service.

ZACCARO 073 4549-00 04
061-30-8534

Form 1040 (1982) Page 2

Tax Computation (See instructions on page 12)	33	Amount from line 32 *(adjusted gross income)*			33	83,585.
	34a	If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 30			34a	29,267.
		Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 12 of the Instructions. Also see page 12 of the Instructions if: ● *You are married filing a separate return and your spouse itemizes deductions, OR* ● *You file Form 4563, OR* ● *You are a dual-status alien.*				
	34b	If you do not itemize, complete the worksheet on page 13. Then enter the allowable part of your charitable contributions here			34b	
	35	Subtract line 34a or 34b, whichever applies, from line 33			35	54,318.
	36	Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 6e			36	4,000.
	37	Taxable Income. Subtract line 36 from line 35			37	50,318.
	38	Tax. Enter tax here and check if from ☐ Tax Table, ☒ Tax Rate Schedule X, Y, or Z, or ☐ Schedule G			38	18,884.
	39	Additional Taxes. (See page 13 of Instructions.) Enter here and check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, or ☐ section 72 penalty taxes			39	
	40	Total. Add lines 38 and 39 ▶			40	18,884.
Credits (See instructions on page 13)	41	Credit for the elderly *(attach Schedules R & RP)*	41			
	42	Foreign tax credit *(attach Form 1116)*	42			
	43	Investment credit *(attach Form 3468)*	43			
	44	Partial credit for political contributions	44	50.		
	45	Credit for child and dependent care expenses *(attach Form 2441)*	45			
	46	Jobs credit *(attach Form 5884)*	46			
	47	Residential energy credit *(attach Form 5695)*	47			
	48	Other Credits - see page 14 ▶	48			
	49	Total credits. Add lines 41 through 48			49	50.
	50	Balance. Subtract line 49 from line 40 and enter difference (but not less than zero) ▶			50	18,834.
Other Taxes (Including Advance EIC Payments)	51	Self-employment tax *(attach Schedule SE)*			51	
	52	Minimum tax *(attach Form 4625)*			52	
	~~53~~	~~Alternative minimum tax~~ *(attach Form 6251)*			53	
	54	Tax from recapture of investment credit *(attach Form 4255)*			54	
	55	Social security (FICA) tax on tip income not reported to employer *(attach Form 4137)*			55	
	56	Uncollected employee FICA and RRTA tax on tips *(from Form W-2)*			56	
	57	Tax on an IRA *(attach Form 5329)*			57	
	58	Advance earned income credit (EIC) payments received *(from Form W-2)*			58	
06	59	Total Tax. Add lines 50 through 58 ▶			59	18,834.
Payments Attach Forms W-2, W-2G, and W-2P to front.	60	Total Federal income tax withheld	60	5,264.		
	61	1982 estimated tax payments and amount applied from 1981 return	61	5,000.		
	62	Earned income credit. If line 33 is under $10,000, see page 15 of Instructions	62			
	63	Amount paid with Form 4868	63			
	64	Excess FICA and RRTA tax withheld (two or more employers)	64	669.		
	65	Credit for Federal tax on special fuels and oils *(attach Form 4136)*	65			
	66	Regulated Investment Company credit *(attach Form 2439)*	66			
	67	Total. Add lines 60 through 66 ▶			67	10,933.
Refund or Amount You Owe	68	If line 67 is larger than line 59, enter amount OVERPAID ▶			68	
	69	Amount of line 68 to be REFUNDED TO YOU ▶			69	
	70	Amount of line 68 to be applied to your 1983 estimated tax ▶	70			
	71	If line 59 is larger than line 67, enter AMOUNT YOU OWE. Attach check or money order for full amount payable to Internal Revenue Service. Write your social security number and "1982 Form 1040" on it. ▶ (Check ▶ ☒ if Form 2210 (2210F) is attached.) ▶ $ 0.			71	7,901.

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign)

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ▶ ☒	Preparer's social security no. 062-07-4105
Firm's name (or yours, if self-employed) and address ▶	SELGER & BRESSMAN 60 E 42ND STREET NEW YORK, N.Y.		E.I. No. ▶ 11-2408598 ZIP code ▶ 10017

85-2306855

Schedules A & B (Form 1040)

Department of the Treasury
Internal Revenue Service

Schedule A – Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

OMB No. 1545-0074

1982

07

Name(s) as shown on Form 1040: JOHN A ZACCARD

Your social security number: 061-30-8534

Medical and Dental Expenses (Do not include expenses reimbursed or paid by others.) *(See page 17 of Instructions.)*	1 Medicines and drugs	1			
	2 Write 1% of Form 1040, line 33	2			
	3 Subtract line 2 from line 1. If line 2 is more than line 1, write zero	3			
	4 Total insurance premiums you paid for medical and dental care	4	300.		
	5 Other medical and dental expenses:				
	a Doctors, dentists, nurses, hospitals, etc.	5a			
	b Transportation	5b			
	c Other (list – include hearing aids, dentures, eyeglasses, etc.) ▶	5c			
	6 Add lines 3 through 5c	6	300.		
	7 Multiply amount on Form 1040, line 33, by 3% (.03)	7	2,508.		
	8 Subtract line 7 from line 6. If line 7 is more than line 6, write zero	8	0.		
	9 Write one-half of amount on line 4, but not more than $150	9	150.		
	10 COMPARE amounts on line 8 and line 9, and write the LARGER amount here			▶ 10	150.
Taxes *(See page 18 of Instructions.)*	11 State and local income	11	18,340.		
	12 Real estate	12	3,687.		
	13 a General sales (see sales tax tables)	13a	874.		
	b General sales on motor vehicles	13b	1,658.		
	14 Other (list–include personal property) ▶	14			
	15 Add lines 11 through 14. Write your answer here			▶ 15	24,559.
Interest Expense *(See page 19 of Instructions.)*	16 a Home mortgage interest paid to financial institutions	16a	119.		
	b Home mortgage interest paid to individuals (show that person's name and address) ▶	16b			
	17 Credit cards and charge accounts	17			
	18 Other (list) ▶ LOAN-AETNA INS		216.		
	NYC TAXES	18	2,053.		
	19 Add lines 16a through 18. Write your answer here			▶ 19	2,388.
Contributions *(See page 19 of Instructions.)*	20 a Cash contributions. (If you gave $3,000 or more to any one organization, report those contributions on line 20b.)	20a	3,870.		
	b Cash contributions totaling $3,000 or more to any one organization. (Show to whom you gave and how much you gave.) ▶	20b			
	21 Other than cash	21			
	22 Carryover from prior years	22			
	23 Add lines 20a through 22. Write your answer here			▶ 23	3,870.
Casualty and Theft Losses and Miscellaneous Deductions *(See page 20 of Instructions.)*	24 Total casualty or theft loss(es) (attach Form 4684)	24			
	25 a Union and professional dues	25a			A
	b Tax return preparation fee	25b			
	26 Other (list) ▶	26			
	27 Add lines 24 through 26. Write your answer here			▶ 27	
Summary of Itemized Deductions *(See page 20 of Instructions.)*	28 Add lines 10, 15, 19, 23, and 27			28	30,967.
	29 If you checked Form 1040, Filing Status box { 2 or 5, write $3,400 / 1 or 4, write $2,300 / 3, write $1,700 }			29	1,700.
	30 Subtract line 29 from line 28. Write your answer here and on Form 1040, line 34a. (If line 29 is more than line 28, see the Instructions for line 30 on page 20.)			▶ 30	29,267.

[illegible]

ZACCARO 073 4549-00 06

Schedules A & B (Form 1040) 1982

Schedule B—Interest and Dividend Income

OMB No. 1545-0074 07 Page 2

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061-30-8534

Part I Interest Income (See pages 8 and 20 of Instructions.) Also complete Part III if you received more than $400 in interest.

If you received more than $400 in interest or you received any interest from an All-Savers Certificate, you must complete Part I and list ALL interest received. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 20.

Interest income other than interest from All-Savers Certificates		Amount
1 Interest income from seller-financed mortgages. (See instructions and show name of payer.)	1	
2 Other interest income (list name of payer)		
NEW ENGLAND MUTUAL		114.
EAST RIVER SAV		194.
IRS		208.
3 Add lines 1 and 2	3	516.

Interest from All-Savers Certificates (ASCs). (See page 21.)		Amount
4		
5 Add amounts on line 4	5	
6 Write the amount of your ASC exclusion from the worksheet on page 21 of Instructions	6	
7 Subtract line 6 from line 5	7	
8 Add lines 3 and 7. Write your answer here and on Form 1040, line 8 ▶	8	516.

Part II Dividend Income (See pages 9 and 21 of Instructions.) Also complete Part III if you received more than $400 in dividends.

If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, or you are electing to exclude qualified reinvested dividends from a public utility, complete Part II. If you received dividends as a nominee for another, see page 21.

Name of payer		Amount
9		
10 Add amounts on line 9	10	
11 Capital gain distributions. Enter here and on line 13, Schedule D*	11	
12 Nontaxable distributions. (See Instructions for adjustment to basis)	12	
13 Exclusion of qualified reinvested dividends from a public utility. (See Instructions.)	13	
14 Add lines 11, 12, and 13	14	
15 Subtract line 14 from line 10. Write your answer here and on Form 1040, line 9a ▶	15	

*If you received capital gain distributions for the year and you do not need Schedule D to report any other gains or losses, do not file that schedule. Instead, enter 40% of your capital gain distributions on Form 1040, line 14.

Part III Foreign Accounts and Foreign Trusts (See page 21 of Instructions.)

If you received more than $400 of interest or dividends, OR if you had a foreign account or were a grantor of, or a transferor to, a foreign trust, you must answer both questions in Part III.

	Yes	No
16 At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country?	☐	☒
17 Were you the grantor of or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes", you may have to file Forms 3520, 3520-A, or 926	☐	☒

ZACCARO 73 4549-00 07

SCHEDULE C
(Form 1040)
Department of the Treasury
Internal Revenue Service

Profit or (Loss) From Bus Profession

(Sole Proprietor
Partnerships, Joint Ventures, et orm 1065
▶ Attach to Form 1040 or Form 1041. ▶ See or Schedule C (Form 1040).

OMB No. 1545 - 0074
1982
08

Name of proprietor: JOHN A ZACCARO
Social security number: 061-30-8534

A Main business activity (see instructions) ▶ BROKER
product ▶ REAL ESTATE
B Business name ▶ JOHN A ZACCARO
C Employer identification no.
D Business address (number and street) ▶ 22 DEEPDANE RD
City, State and ZIP Code ▶ FOREST HILLS NY 11375

E Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶

C

F Method(s) used to value closing inventory:
(1) ☐ Cost (2) ☐ Lower of cost or market (3) ☐ Other (if other, attach explanation)

	Yes	No
G Was there any major change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation.		X
H Did you deduct expenses for an office in your home?		X
I Did you operate this business at the end of 1982?	X	

J How many months in 1982 did you actively operate this business? ▶ 12

Part I Income

1 a Gross receipts or sales	1a	41,150.		
b Returns and allowances	1b			
c Balance (subtract line 1b from line 1a)			1c	41,150.
2 Cost of goods sold and/or operations (Schedule C-1, line 8)			2	
3 Gross profit (subtract line 2 from line 1c)			3	41,150.
4 a Windfall Profit Tax Credit or Refund received in 1982 (see Instructions)			4a	
b Other income			4b	
5 Total income (add lines 3, 4a, and 4b) ▶			5	41,150.

Part II Deductions

6 Advertising		25 Taxes (do not include Windfall Profit Tax)	2,280.
7 Bad debts from sales		26 Travel and entertainment	
8 Bank service charges		27 Utilities and telephone	
9 Car and truck expenses		28 a Wages	
10 Commissions		b Jobs credit	
11 Depletion		c Subtract line 28b from 28a	
12 Depreciation		29 Windfall Profit Tax withheld in 1982	
13 Dues and publications		30 Other expenses (specify):	
14 Employee benefit programs		a	
15 Freight		b	
16 Insurance		c	
17 Interest		d	
18 Laundry and cleaning		e	
19 Legal and professional		f	
20 Office supplies and postage		g	
21 Pension and profit-sharing		h	
22 Rent on business property		i	
23 Repairs		j	
24 Supplies		k	

31 Total deductions (add amounts in columns for lines 6 through 30k) ▶	31	2,280.
32 Net profit or (loss) (subtract line 31 from line 5). If a profit, enter on Form 1040, line 12, and on Schedule SE, Part I, line 2 (or Form 1041, line 6). If a loss, go on to line 33	32	38,870.

33 If you have a loss, do you have amounts for which you are not "at risk" in this business (see Instructions)? ☐ Yes ☐ No
If you check "No," enter the loss on Form 1040, line 12, and on Schedule SE, Part I, line 2 (or Form 1041, line 6).

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Schedule C (Form 1040) 1982

SCHEDULE C-1. – Cost of Goods Sold and/or Operations (See Schedule C instructions for Part I, line 2)

1	Inventory at beginning of year (if different from last year's closing inventory, attach explanation)	1	
2	Purchases (less cost of items withdrawn for personal use)	2	
3	Cost of labor (do not include salary paid to yourself)	3	
4	Materials and supplies	4	
5	Other costs	5	
6	Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	Cost of goods sold and/or operations (subtract line 7 from line 6). Enter here and on Part I, line 2 ▶	8	

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SCHEDULE D (FORM 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040).

OMB No. 1545-0074
1982
14

Name(s) as shown on Form 1040: JOHN A ZACCARD

Your social security number: 061-30-8534

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less

D

a. Kind of property and description (Example, 100 shares 7% preferred of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 23)	f. LOSS If column (e) is more than (d) subtract (d) from (e)	g. GAIN If column (d) is more than (e) subtract (e) from (d)
1 2000 SH CARIBON ENERGY						
	11/16/81	11/05/82	100.	1,841.	1,741.	

2a Gain from sale or exchange of a principal residence held one year or less, from Form 2119, lines 7 or 11	2a			
b Short-term capital gain from installment sales from Form 6252, line 21 or 29	2b			
3 Net short-term gain or (loss) from partnerships and fiduciaries	3			
4 Add lines 1 through 3 in column f and column g	4	1,741.		
5 Combine line 4, column f and line 4, column g and enter the net gain or (loss)			5	-1,741.
6 Short-term capital loss carryover from years beginning after 1969			6	
7 Net short-term gain or (loss), combine lines 5 and 6			7	-1,741.

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year

8

9a Gain from sale or exchange of a principal residence held more than one year, from Form 2119, lines 7, 11, 16 or 18	9a			
b Long-term capital gain from installment sales from Form 6252, line 21 or 29	9b			
10 Net long-term gain or (loss) from partnerships and fiduciaries	10			
11 Add lines 8 through 10 in column f and column g	11			
12 Combine line 11, column f and line 11, column g and enter the net gain or (loss)			12	
13 Capital gain distributions			13	
14 Enter gain from Form 4797, line 5(a)(1)			14	
15 Enter your share of net long-term gain from small business corporations (Subchapter S)			15	
16 Combine lines 12 through 15			16	
17 Long-term capital loss carryover from years beginning after 1969			17	
18 Net long-term gain or (loss), combine lines 16 and 17			18	

Note: *Complete this form on page 2. However, if you have capital loss carryovers from years beginning before 1970, do not complete Parts III or V. See Form 4798 instead.*

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061-30-8534 (

Schedule D (Form 1040) 1982 Page 2

Part III Summary of Parts I and II

19 Combine lines 7 and 18, and enter the net gain or (loss) here.	19	-1,741.
Note: *If line 19 is a loss, skip lines 20 through 22 and complete lines 23 and 24. If line 19 is a gain complete lines 20 through 22 and skip lines 23 and 24.*		
20 If line 19 shows a gain, enter the smaller of line 18 or line 19. Enter zero if there is a loss or no entry on line 18 — 20: 0.		
21 Enter 60% of line 20	21	
If line 21 is more than zero, you may be liable for the alternative minimum tax. See Form 6251.		
22 Subtract line 21 from line 19. Enter here and on Form 1040, line 13	22	
23 If line 19 shows a loss, enter one of the following amounts: *(i)* If line 7 is zero or a net gain, enter 50% of line 19; *(ii)* If line 18 is zero or a net gain, enter line 19; or *(iii)* If line 7 and line 18 are net losses, enter amount on line 7 added to 50% of the amount on line 18	23	-1,741.
24 Enter here and as a loss on Form 1040, line 13, the smallest of: *(i)* The amount on line 23; *(ii)* $3,000 ($1,500 if married and filing a separate return); or *(iii)* Taxable income, as adjusted	24	1,500.

Part IV Complete this Part Only If You Elect Out of the Installment Method And Report a Note or Other Obligation at Less Than Full Face Value

☐ Check here if you elect out of the installment method.

Enter the face amount of the note or other obligation ▶

Enter the percentage of valuation of the note or other obligation ▶

Part V Computation of Post-1969 Capital Loss Carryovers from 1982 to 1983

(Complete this part if the loss on line 23 is more than the loss on line 24)

Note: You do not have to complete Part V on the copy you file with IRS.

Section A. – Short-term Capital Loss Carryover

25 Enter loss shown on line 7; if none, enter zero and skip lines 26 through 30 - then go to line 31	25	1,741.
26 Enter gain shown on line 18. If that line is blank or shows a loss, enter zero	26	0.
27 Reduce any loss on line 25 to the extent of any gain on line 26	27	1,741.
28 Enter amount shown on line 24	28	1,500.
29 Enter smaller of line 27 or 28	29	1,500.
30 Subtract line 29 from line 27. This is your short-term capital loss carryover from 1982 to 1983	30	241.

Section B. – Long-term Capital Loss Carryover

31 Subtract line 29 from line 28 (Note: *If you skipped lines 26 through 30, enter amount from line 24*)	31	
32 Enter loss from line 18; if none, enter zero and skip lines 33 through 36	32	
33 Enter gain shown on line 7. If that line is blank or shows a loss, enter zero	33	
34 Reduce any loss on line 32 to the extent of any gain on line 33	34	
35 Multiply amount on line 31 by 2	35	
36 Subtract line 35 from line 34. This is your long-term capital loss carryover from 1982 to 1983	36	

ZACCARO 073 4549-00 11

SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

Supplemental Income Schedule

(From rents and royalties, partnerships, estates and trusts, etc.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074
1982
15

Name(s) as shown on Form 1040: JOHN A ZACCARO

Your social security number: 061-30-8534

Part I Rent and Royalty Income or Loss

1 Are any of the expenses listed below for a vacation home or other recreational unit (see Instructions)? ☐ Yes ☐ No

2 If you checked "Yes," to question 1, did you or a member of your family occupy the vacation home or recreational unit for more than 14 days or more than 10% of the total days rented at fair rental value during the tax year? ☐ Yes ☐ No

Property Codes	Kind and Location of Property
A	
B	
C	

Rental and Royalty Income		Properties A	Properties B	Properties C		Totals (Add columns A, B, and C)
3 a Rents received						
b Royalties received					3	
Rental and Royalty Expenses						
4 Advertising	4					
5 Auto and travel	5					
6 Cleaning and maintenance	6					
7 Commissions	7					
8 Insurance	8					
9 Interest	9					
10 Legal and other professional fees	10					
11 Repairs	11					
12 Supplies	12					
13 Taxes (do NOT include Windfall Profit Tax here. See Part III, line 35.)	13					
14 Utilities	14					
15 Wages and salaries	15					
16 Other (list) ▶						
17 Total expenses other than depreciation and depletion. Add lines 4 through 16	17				17	
18 Depreciation expense or Depletion	18				18	
19 Total. Add lines 17 and 18	19					E
20 Income or (loss) from rental or royalty properties. Subtract line 19 from line 3	20					

21 Add properties with profits on line 20, and write the total profits here	21	
22 Add properties with losses on line 20, and write the total (losses) here	22	
23 Combine amounts on lines 21 and 22, and write the net profit or (loss) here	23	
24 Net farm rental profit or (loss) from Form 4835, line 50	24	
25 Total rental or royalty income or (loss). Combine amounts on lines 23 and 24. If Parts II, III, and IV on page 2 do not apply, write the amount on Form 1040, line 18. Otherwise include the amount in line 37 of Schedule E	25	

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ZACCARO 073 4549-00 12
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Schedule E (Form 1040) 1982 Page 2

Part II Income or Losses from Partnerships, Estates or Trusts, or Small Business Corporations

If you report a loss below, do you have amounts invested in that activity for which you are not "at risk" (see Instructions)? ☐ Yes ☒ No
If "Yes," and your loss exceeded your amount "at risk," did you limit your loss to your amount "at risk"? ☐ Yes ☐ No

	(a) Name	(b) Employer identification number	(c) Net loss (see instructions for "at risk" limitations)	(d) Net income
Partnerships	SEE STATEMENT 2		3,793.	
	26 Add amounts in columns (c) and (d) and write here	26	-3,793.	
	27 Combine amounts in columns (c) and (d), line 26, and write net income or (loss)		27	-3,793.
	28 Expense deduction for section 179 property, (Form 1065, Schedule K-1, line 11). Do not enter more than $5,000 ($2,500 if married filing separately)		28	
	29 Total partnership income or (loss). Combine lines 27 and 28. Write here and include in line 37 below		29	-3,793.
Estates or Trusts				
	30 Add amounts in columns (c) and (d) and write here	30		
	31 Total estate or trust income or (loss). Combine amounts in columns (c) and (d), line 30. Write here and include in line 37 below		31	—
Small Business Corporations	SEE STATEMENT 3			104.
	32 Add amounts in columns (c) and (d) and write here	32		104.
	33 Total small business corporation income or (loss). Combine amounts in columns (c) and (d), line 32. Write here and include in line 37 below		33	104.

Part III Windfall Profit Tax Summary

34 Windfall profit tax credit or refund received in 1982 (see Instructions)	34	
35 Windfall profit tax withheld in 1982 (see Instructions)	35	
36 Combine amounts on lines 34 and 35. Write here and include in line 37 below	36	

Part IV Summary

37 TOTAL income or (loss). Combine lines 25, 29, 31, 33, and 36. Write here and on Form 1040, line 18 . . ▶			37	-3,689.
38 Farmers and fishermen: Write your share of GROSS FARMING AND FISHING INCOME applicable to Parts I and II . . .	38			

Part V Depreciation Claimed in Part I.—Complete only if property was placed in service before January 1, 1981. For more space, use Form 4562. If you placed any property in service after December 31, 1980, use Form 4562 for all property; do NOT complete Part V.

	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in prior years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
Property A							
Totals (Property A)							
Property B							
Totals (Property B)							
Property C							
Totals (Property C)							

ZACCARD 073 4549-00 13

SCHEDULE SE
(Form 1040)
Department of the Treasury
Internal Revenue Service

Computation of Social Security Self-Employment Tax

▶ See Instructions for Schedule SE (Form 1040).
▶ Attach to Form 1040.

OMB No. 1545-0074
1982
22

Name of self-employed person (as shown on social security card): JOHN A ZACCARD

Social security number of self-employed person ▶ 061-30-8534

Part I Regular Computation of Net Earnings from Self-Employment

1	Net Profit or (loss) from:			
a	Schedule F (Form 1040), line 57 or line 90			
b	Farm Partnerships, Schedule K-1 (Form 1065), line 18b			
	Net Earnings from Farm Self-Employment		1	
2	Net Profit or (loss) from:			
a	Schedule C (Form 1040), line 32	38,870.		
b	Partnerships (other than farming), Schedule K-1 (Form 1065), line 18b			
c	Service as a minister or member of a religious order. NOTE: If you are exempt from self-employment tax because you filed Form 4361, but you have other earnings of $400 or more that are subject to self-employment tax, check here ▶ ☐			
d	Service with a foreign government or international organization			
e	Other ▶			
	Total	38,870.		
	Adjustments			
	Net Earnings from Nonfarm Self-Employment		2	38,870.

Part II Optional Computation of Net Earnings from Self-Employment

Generally, this part be used only if:

- Your gross farm profits were not more than $2,400, or
- Your gross farm profits were more than $2,400 and your net farm profits were less than $1,600, or
- Your net nonfarm profits are less than $1,600 and less than two thirds (2/3) of your gross nonfarm income.

See instructions for other limitations.

3	Maximum income for optional methods	3	$1,600.00
4	Farm Optional Method-Enter two thirds (2/3) of gross profits from Schedule F (Form 1040), line 31 or line 88, and farm partnerships, Schedule K-1 (Form 1065), line 18a, or $1,600, whichever is smaller	4	
5	Subtract line 4 from line 3	5	
6	Nonfarm Optional Method-Enter the smaller of two thirds (2/3) of gross profits from Schedule C (Form 1040), line 3, and Schedule K-1 (Form 1065), line 18c (other than farming), $1,600, or, if you elected the farm optional method, the amount on line 5	6	

Part III Computation of Social Security Self-Employment Tax

SE

7	Enter the amount from Part I, line 1, or, if you elected the farm optional method, Part II, line 4			7	
8	Enter the amount from Part I, line 2, or, if you elected the nonfarm optional method, Part II, line 6			8	38,870.
9	Add lines 7 and 8. If less than $400, you are not subject to self-employment tax. Do not fill in the rest of the schedule			9	38,870.
10	The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax for 1982 is			10	$32,400.00
11 a	Total FICA wages from Forms W-2 and RRTA compensation	11a	32,400.		
b	Unreported tips subject to FICA tax from Form 4137, line 9 or to RRTA	11b			
c	Add lines 11a and 11b			11c	32,400.
12	Subtract line 11c from line 10			12	
13	Enter the smaller of line 9 or line 12			13	
	If line 13 is $32,400, fill in $3,029.40 on line 14. Otherwise, multiply line 13 by .0935 and enter the result on line 14				.0935
14	Self-employment tax. Enter this amount on Form 1040, line 51			14	

ZACCARD 073 ** 4549-00 14

Form **2210**
Department of the Treasury
Internal Revenue Service

Underpayment of Estimated Tax by Individuals

▶ Attach to Form 1040

OMB No. 1545-0140
1982
56

Name(s) as shown on Form 1040: JOHN A. ZACCARD
Social security number: 061-30-8534

Part I Figuring Your Underpayment

If you qualify to refigure the taxable amount of your unemployment compensation (line 20b, Form 1040, or line 9b, Form 1040A), check this box ▶ ☐ (See instructions under Taxable Unemployment Compensation.)

1 1982 tax (from Form 1040, line 59)	1	18,834.
2 Add the amounts on lines 52, 53, 55, 56, 62, and 65, Form 1040. Also add tax on an IRA from Part I or III, Form 5329, reported on line 57, Form 1040. Write total here	2	
3 Subtract line 2 from line 1	3	18,834.
4 Add the amounts on lines 60 and 64, Form 1040, and write the total here	4	5,933.
5 Subtract line 4 from line 3. (If less than $200, stop here; do not complete the rest of this form.)	5	12,901.
6 Multiply the amount on line 3 by .80 and enter result here	6	15,067.

		Payment Due Dates			
		(a) April 15, 1982	(b) June 15, 1982	(c) Sept. 15, 1982	(d) Jan. 17, 1983
7 Divide amount on line 6 by the number of payments required for the year (usually four). Enter the result in appropriate columns	7	3,766.	3,767.	3,767.	3,767.
8 Estimated tax paid and tax withheld	8	2,734.	2,733.	2,733.	2,733.
9 Overpayment (on line 11) from previous period (see instructions)	9				
10 Add lines 8 and 9	10	2,734.	2,733.	2,733.	2,733.
11 Underpayment. (Subtract line 10 from line 7.) OR Overpayment. (Subtract line 7 from line 10.)	11	1,032.	1,034.	1,034.	1,034.

Part II Exceptions to the Penalty (Farmers and fishermen, see instructions for special exception.)

12 Total amount paid and withheld from January 1 to and including the payment due date shown.	12	2,734.	5,467.	8,200.	10,933.
13 Exception 1. - Enter 1981 tax SEE STMT 5 ▶ $ 7,733.	13	25% of 1981 tax: 1,933.	50% of 1981 tax: 3,867.	75% of 1981 tax: 5,800.	100% of 1981 tax: 7,733.
14 Exception 2. - Tax on 1981 income using 1982 rates and exemptions.	14	Enter 25% of tax:	Enter 50% of tax:	Enter 75% of tax:	Enter 100% of tax:
15 Exception 3. - Tax on annualized 1982 income. (Attach computation.).	15	Enter 20% of tax:	Enter 40% of tax:	Enter 60% of tax:	Exceptions Do Not Apply
16 Exception 4. - Tax on 1982 income over 3-, 5-, and 8-month periods.	16	Enter 90% of tax:	Enter 90% of tax:	Enter 90% of tax:	

Part III Figuring the Penalty (Complete lines 17a through 19, if none of the exceptions in Part II applies.)

17a Number of days after due date of payment to and including date of payment or December 31, 1982, whichever is earlier. If December 31 is earlier, enter 260, 199, and 107 respectively	17a				
b Number of days after due date of payment to and including date of payment or April 15, 1983, whichever is earlier. If April 15 is earlier, enter 88	17b				
c Number of days after December 31, 1982, to and including date of payment or April 15, 1983, whichever is earlier. If April 15 is earlier, enter 105 in each column	17c				
18a Number of days on line 17a / 365 X 20% X underpayment on line 11	18a				
b Number of days on line 17b / 365 X 16% X underpayment on line 11	18b				
c Number of days on line 17c / 365 X 16% X underpayment on line 11	18c				

19 Penalty (add amounts on lines 18a, b, and c). Check the box below line 71 on Form 1040 and show this amount in the space provided. If you owe tax, add penalty to tax and show total on line 71. If you are due a refund, subtract penalty from overpayment on line 68	19	0.

95-2396893

Form 2210 (1982)

061-30-8534 ZACCARO 073 4549-00

1982 FEDERAL INCOME TAX STATEMENTS PAGE 1

STATEMENT 1 - WAGES, SALARIES, TIPS, ETC.

EMPLOYERS NAME AND ADDRESS	INCOME TAX WITHHELD	WAGES SALARIES TIPS, ETC	FICA
P ZACCARO CO INC	4,464	43,706	2,170
FAAJO ASSOC	800	10,000	670
TOTAL TAX WITHHELD, WAGES, AND FICA	5,264	53,706	2,840

STATEMENT 2 - INCOME FROM PARTNERSHIPS

NAME AND ADDRESS OF PARTNERSHIP	
SECOND GRAND CO NO13-3016186	
TOTAL PARTNERSHIP INCOME	-3,793

STATEMENT 3 - INCOME FROM SMALL BUSINESS CORPORATIONS

NAME AND ADDRESS OF CORPORATION	
P ZACCARO CO INC NO 13-2682158	
ORDINARY INCOME	104

STATEMENT 4 - MISCELLANEOUS INCOME

	SUBJECT TO SE TAX	OTHER TAXABLE INCOME	TOTAL TAXABLE INCOME
GROUP INSURANCE		2,682	2,682
TOTAL MISCELLANEOUS INCOME	0	2,682	2,682

STATEMENT 5 - EXCEPTIONS WHICH AVOID THE PENALTY FOR UNDERPAYMENT OF ESTIMATED TAX

EXCEPTION 1 - 1981 TAX

1981 TAX	7,733

061-30-8534 ZACCARO 073 4549-00

1982 FEDERAL INCOME TAX STATEMENTS PAGE 3

STATEMENT 6 - CASH CONTRIBUTIONS UNDER $3,000

CHARITIES QUALIFYING FOR 50 PCT LIMITATION

CHURCH	485	
OTHER RECEIPTED CASH CONTRIBUTIONS	3,385	
TOTAL CASH CONTRIBUTIONS TO CHARITIES QUALIFYING FOR 50 PCT LIMITATION		3,870
TOTAL CASH CONTRIBUTIONS		3,870

5932-94 115 03

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return 1983

EXHIBIT NO. 19

For the year January 1–December 31, 1983, or other tax year beginning , 1983, ending , 19 . OMB No. 1545-0074

Your first name and initial (if joint return, also give spouse's name and initial) JOHN A	Last name ZACCARD	Your social security number 061-30-8534
Present home address 22 DEEPDANE RD		Spouse's social security no. 100-28-1600
City, town or post office, State and ZIP code FOREST HILLS NY 11375		Your occupation BROKER Spouse's occupation

Presidential Election Campaign
Do you want $1 to go to this fund? ☒ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☐ Yes ☐ No
Note: *Checking "Yes" will not increase your tax or reduce your refund.*

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Filing Status

Check only one box.

1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☒ Married filing separate return. Enter spouse's social security number above and full name here GERALDINE ZACCARD
4 ☐ Head of household (with qualifying person). (See page 6 of Instructions.) If the qualifying person is your unmarried child but not your dependent, write child's name here
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). (See page 6 of Instructions.)

Exemptions

Always check the box labeled Yourself. Check other boxes if they apply.

6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 1
c First names of your dependent children who lived with you LAURA, JOHN A JR
Enter number of children listed on 6c ▶ 2

d Other dependents:

(1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶
e Total number of exemptions claimed . . . Add numbers entered in boxes above ▶ 3

Income

Please attach Copy B of your Forms W-2, W-2G, and W-2P here.

If you do not have a W-2, see page 5 of Instructions.

Please attach check or money order here.

7	Wages, salaries, tips, etc. SEE STATEMENT 1		7	13,104.
8	Interest income *(also attach Schedule B if over $400 or you have any All-Savers interest)*		8	1,846.
9a	Dividends *(also attach Schedule B if over $400)*	9a		
b	Exclusion	9b		
c	Subtract line 9b from line 9a and enter the result		9c	
10	Refunds of State and local income taxes		10	
11	Alimony received		11	
12	Business income or (loss) *(attach Schedule C)* ▶		12	139,689.
13	Capital gain or (loss) *(attach Schedule D)*		13	16,126.
14	40% capital gain distributions not reported on line 13 (See page 10 of Instructions)		14	
15	Supplemental gains or (losses) *(attach Form 4797)*		15	
16	Fully taxable pensions, IRA distributions, and annuities not reported on line 17		16	
17a	Other pensions and annuities, including rollovers. Total received	17a		
b	Taxable amount, if any, from worksheet on page 10 of Instructions		17b	
18	Rents, royalties, partnerships, estates, trusts, etc. *(attach Schedule E)*		18	30,342.
19	Farm income or (loss) *(attach Schedule F)* ▶		19	
20a	Unemployment compensation (insurance). Total received	20a		
b	Taxable amount, if any, from worksheet on page 11 of Instructions		20b	
21	Other income SEE STATEMENT 4		21	1,932.
22	Total income. Add amounts in column for lines 7 through 21 ▶		22	203,039.

Adjustments to Income

(See Instructions on page 11)

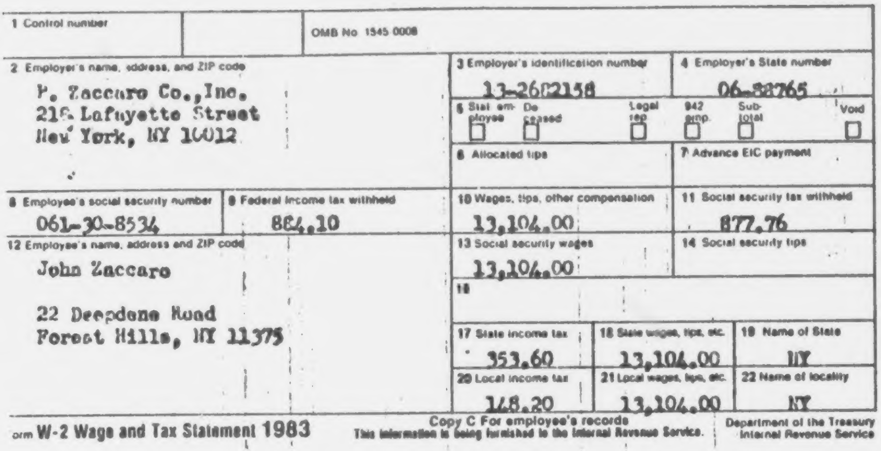
23	Moving expense *(attach Form 3903 or 3903F)*	23			
24	Employee business expenses	24			
25a	IRA deduction, from the worksheet on page 12	25a	2,000.		
b	Enter here IRA payments you made in 1984 that are included in line 25a above ▶				
26	Payments to a Keogh (H.R.10) retirement plan	26	15,000.		
27	Penalty on early withdrawal of savings	27			
28	Alimony paid	28			
29	Deduction for married couple when both work *(attach Schedule W)*	29			
30	Disability income exclusion *(attach Form 2440)*	30			
31	Total adjustments. Add lines 23 through 30 ▶			31	17,000.

Adjusted Gross Income

32	Adjusted gross income. Subtract line 31 from line 22. *If this line is less than $10,000, see "Earned Income Credit" (line 59) on page 16 of Instructions. If you want IRS to figure your tax, see page 3 of Instructions* ▶	32	186,039.

7/30/87

95-2366853



1 Control number

OMB No 1545 0008

2 Employer's name, address, and ZIP code

P. Zaccaro Co., Inc.
218 Lafayette Street
New York, NY 10012

3 Employer's identification number: 13-2602158

4 Employer's State number: 06-88765

5 Stat employee ☐ Deceased ☐ Legal rep ☐ 942 emp. ☐ Subtotal ☐ Void ☐

6 Allocated tips

7 Advance EIC payment

8 Employee's social security number: 061-30-8534

9 Federal income tax withheld: 884.10

10 Wages, tips, other compensation: 13,104.00

11 Social security tax withheld: 877.76

12 Employee's name, address and ZIP code

John Zaccaro

22 Deepdene Road
Forest Hills, NY 11375

13 Social security wages: 13,104.00

14 Social security tips

16

17 State income tax: 353.60

18 State wages, tips, etc.: 13,104.00

19 Name of State: NY

20 Local income tax: 148.20

21 Local wages, tips, etc.: 13,104.00

22 Name of locality: NY

Form W-2 Wage and Tax Statement 1983

Copy C For employee's records
This information is being furnished to the Internal Revenue Service.

Department of the Treasury
Internal Revenue Service

061-30-6534

Form 1040 (1983) Page 2

Tax Computation (See Instructions on page 13)	33	Amount from line 32 (adjusted gross income).			33	186,039.
	34a	If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 28			34a	36,187.
		Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 13 of the Instructions. Also see page 13 of the Instructions if: ● You are married filing a separate return and your spouse itemizes deductions, OR ● You file Form 4563, OR ● You are a dual-status alien.				
	34b	If you do not itemize deductions on Schedule A (Form 1040), complete the worksheet on page 14. Then enter the allowable part of your charitable contributions here.			34b	
	35	Subtract line 34a or 34b, whichever applies, from line 33			35	149,852.
	36	Multiply $1,000 by the total number of exemptions claimed on Form 1040, line 6e			36	3,000.
	37	Taxable Income. Subtract line 36 from line 35			37	146,852.
	38	Tax. Enter tax here and check if from ☐ Tax Table, ☒ Tax Rate Schedule X, Y, or Z, or ☐ Schedule G			38	65,427.
	39	Additional Taxes. (See page 14 of Instructions.) Enter here and check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, or ☐ section 72 penalty taxes			39	
	40	Total. Add lines 38 and 39 ▶			40	65,427.
Credits (See Instructions on page 14)	41	Credit for the elderly *(attach Schedules R & RP)*	41			
	42	Foreign tax credit *(attach Form 1116)*	42			
	43	Investment credit *(attach Form 3468)*	43			
	44	Partial credit for political contributions	44	50.		
	45	Credit for child and dependent care expenses *(attach Form 2441)*	45			
	46	Jobs credit *(attach Form 5884)*	46			
	47	Residential energy credit *(attach Form 5695)*	47			
	48	Total credits Add lines 41 through 47			48	50.
	49	Balance. Subtract line 48 from line 40 and enter difference (but not less than zero) ▶			49	65,377.
Other Taxes (Including Advance EIC Payments)	50	Self-employment tax *(attach Schedule SE)*			50	2,113.
	51	Alternative minimum tax *(attach Form 6251)*			51	
	52	Tax from recapture of investment credit *(attach Form 4255)*			52	
	53	Social security tax on tip income not reported to employer *(attach Form 4137)*			53	
	54	Uncollected employee social security tax and RRTA tax on tips *(from Form W-2)*			54	
	55	Tax on an IRA *(attach Form 5329)*			55	
06	56	Total tax. Add lines 49 through 55 ▶			56	67,490.
Payments Attach Forms W-2, W-2G, and W-2P to front.	57	Federal income tax withheld	57	884.		
	58	1983 estimated tax payments and amount applied from 1982 return	58	19,300.		
	59	Earned income credit. If line 33 is under $10,000, see page 16	59			
	60	Amount paid with Form 4868	60			
	61	Excess social security tax and RRTA tax withheld (two or more employers)	61			
	62	Credit for Federal tax on special fuels and oils *(attach Form 4136)*	62			
	63	Regulated Investment Company credit *(attach Form 2439)*	63			
	64	Total payments. Add lines 57 through 63 ▶			64	20,184.
Refund or Amount You Owe	65	If line 64 is larger than line 56, enter amount **OVERPAID** ▶			65	
	66	Amount of line 65 to be **REFUNDED TO YOU** ▶			66	
	67	Amount of line 65 to be applied to your 1984 estimated tax ▶	67			
	68	If line 56 is larger than line 64, enter **AMOUNT YOU OWE**. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number and "1983 Form 1040" on it. ▶ (Check ▶ ☒ if Form 2210 (2210F) is attached.) $ 0.			68	47,306.

Please Sign Here	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
	▶ Your signature — Date — ▶ Spouse's signature (if filing jointly, BOTH must sign)
Paid Preparer's Use Only	Preparer's signature ▶ — Date — Check if self-employed ☒ — Preparer's social security no. 062-07-4105
	Firm's name (or yours, if self-employed) and address ▶ SELGER & BRESSMAN 60 E 42ND STREET NEW YORK, N.Y. — E.I. No. 11-2408598 — ZIP code 10017

95-2398893

Schedules A & B (Form 1040)
Department of the Treasury
Internal Revenue Service

Schedule A – Itemized Deductions

▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

OMB No. 1545-0074
1983
07

Name(s) as shown on Form 1040: JOHN A ZACCARD

Your social security number: 061-30-8534

Medical and Dental Expenses	1	Medicines and drugs	1			
(Do not include expenses reimbursed or paid by others.)	2	Write 1% of Form 1040, line 33	2			
	3	Subtract line 2 from line 1. If line 2 is more than line 1, write zero			3	
	4	Other medical and dental expenses:				
(See page 18 of Instructions.)	a	Doctors, dentists, nurses, hospitals, insurance premiums you paid for medical and dental care, etc.			4a	4,491.
	b	Transportation			4b	
	c	Other (list - include hearing aids, dentures, eyeglasses, etc.) ▶			4c	
	5	Add lines 3 through 4c			5	4,491.
	6	Multiply amount on Form 1040, line 33, by 5% (.05)			6	9,302.
	7	Subtract line 6 from line 5. If line 6 is more than line 5, write zero ▶	7	0.		
Taxes	8	State and local income			8	15,258.
	9	Real estate			9	6,148.
	10	a General sales (see sales tax tables)			10a	932.
(See page 19 of Instructions.)		b General sales on motor vehicles			10b	556.
	11	Other (list - include personal property) ▶			11	
	12	Add lines 8 through 11. Write your answer here ▶	12	22,894.		
Interest Expense	13	a Home mortgage interest paid to financial institutions			13a	6,445.
		b Home mortgage interest paid to individuals (show that person's name and address) ▶			13b	
(See page 20 of Instructions.)	14	Credit cards and charge accounts			14	
	15	Other (list) ▶ LOAN GMAC			15	393.
	16	Add lines 13a through 15. Write your answer here ▶	16	6,838.		
Contributions	17	a Cash contributions. (If you gave $3,000 or more to any one organization, report those contributions on line 17b.)			17a	7,545.
(See page 20 of Instructions.)		b Cash contributions totaling $3,000 or more to any one organization. (Show to whom you gave and how much you gave.) ▶			17b	
	18	Other than cash (attach required statement)			18	
	19	Carryover from prior years			19	
	20	Add lines 17a through 19. Write your answer here ▶	20	7,545.		
Casualty and Theft Losses	21	Total casualty or theft loss(es) (attach Form 4684) ▶	21			
Miscellaneous Deductions	22	Union and professional dues			22	
	23	Tax return preparation fee			23	
(See page 21 of Instructions.)	24	Other (list) ▶ SEE STATEMENT 6			24	610.
	25	Add lines 22 through 24. Write your answer here ▶	25	610.		
Summary of Itemized Deductions	26	Add lines 7, 12, 16, 20, 21 and 25.	26	37,887.		
	27	If you checked Form 1040 { Filing Status box 2 or 5, write $3,400 Filing Status box 1 or 4, write $2,300 Filing Status box 3, write $1,700 }	27	1,700.		
(See page 21 of Instructions.)	28	Subtract line 27 from line 26. Write your answer here and on Form 1040, line 34a. (If line 27 is more than line 26, see the Instructions for line 28 on page 21.) ▶	28	36,187.		

95-2396883

Schedules A & B (Form 1040) 1983 OMB No. 1545-0074 Page 2

Schedule B—Interest and Dividend Income

08

Name(s) as shown on Form 1040	Your social security number
JOHN A ZACCARO	061-30-8534

Part I Interest Income (See pages 9 and 21 of Instructions.) Also complete Part III

If you received more than $400 in interest or you received any interest from an All-Savers Certificate, you must complete Part I and list ALL interest received. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 22.

Interest income other than interest from All-Savers Certificates		Amount
1 Interest income from seller-financed mortgages. (See Instructions and show name of payer.)	1	
2 Other interest income (list name of payer) ▶	2	
CITIBANK		959.
EAST RIVER SAV		887.
3 Add lines 1 and 2	3	1,846.

Interest from All-Savers Certificates (ASCs). (See page 22.)		Amount
4	4	
5 Add amounts on line 4	5	
6 Write the amount of your ASC exclusion from the worksheet on page 22 of instructions	6	
7 Subtract line 6 from line 5	7	
8 Add lines 3 and 7. Write your answer here and on Form 1040, line 8. ▶	8	1,846.

Part II Dividend Income (See pages 9 and 22 of Instructions.) Also complete Part III

If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, or you are electing to exclude qualified reinvested dividends from a public utility, complete Part II. If you received dividends as a nominee for another, see page 22.

Name of payer				Amount
9			9	
10 Add amounts on line 9			10	
11 Capital gain distributions. Enter here and on line 15, Schedule D.*	11			
12 Nontaxable distributions. (See instructions for adjustment to basis)	12			
13 Exclusion of qualified reinvested dividends from a public utility. (See page 22 of Instructions.)	13			
14 Add lines 11, 12, and 13			14	
15 Subtract line 14 from line 10. Write your answer here and on Form 1040, line 9a. ▶			15	

*If you received capital gain distributions for the year and you do not need Schedule D to report any other gains or losses, do not file that schedule. Instead, enter 40% of your capital gain distributions on Form 1040, line 14.

Part III Foreign Accounts and Foreign Trusts (See page 22 of Instructions.)

If you received more than $400 of interest or dividends, OR if you had a foreign account or were a grantor of, or a tranferor to, a foreign trust, you must answer both questions in Part III.	Yes	No
16 At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country? (See page 23 of the instructions for exceptions and filing requirements for Form 90-22.1)		X
If "Yes," write the name of the foreign country ▶		
17 Were you the grantor of or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes", you may have to file Forms 3520, 3520-A, or 926		X

SCHEDULE C
(Form 1040)
Department of the Treasury
Internal Revenue Service

Profit or (Loss) From Business or Profession

(Sole Proprietortship)
Partnerships, Joint Ventures, etc., Must File Form 1065.
▶ Attach to Form 1040 or Form 1041. ▶ See Instructions for Schedule C (Form 1040).

OMB No. 1545-0074
1983
09

Name of proprietor: JOHN A ZACCARO
Social security number: 061-30-8534
A Main business activity (see Instr.) ▶ BROKER ; product ▶ REAL ESTATE
B Business name and address ▶ JOHN A ZACCARO
22 DEEPDANE RD
FOREST HILLS NY 11375
C Employer identification no.

D Method(s) used to value closing inventory:
(1) ☐ Cost (2) ☐ Lower of cost or market (3) ☐ Other (attach explanation)
E Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶

	Yes	No
F Was there any major change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation.		X
G Did you deduct expenses for an office in your home?		X

PART I. – Income

1 a Gross receipts or sales	1a	148,650.
b Less: Returns and allowances	1b	
c Subtract line 1b from line 1a and enter the balance here	1c	148,650.
2 Cost of goods sold and/or operations (Part III, line 8)	2	
3 Subtract line 2 from line 1c and enter the gross profit here	3	148,650.
4 a Windfall Profit Tax Credit or Refund received in 1983 (see Instructions)	4a	
b Other income	4b	
5 Add lines 3, 4a, and 4b. This is the gross income ▶	5	148,650.

PART II. – Deductions

6 Advertising		24 Supplies (not included in Part III)	
7 Bad debts from sales or services (Cash method taxpayers, see instructions)		25 Taxes (Do not include Windfall Profit Tax here. See line 29)	
8 Bank service charges		26 Travel and entertainment	5,211.
9 Car and truck expenses		27 Utilities and telephone	
10 Commissions		28 a Wages	
11 Depletion		b Jobs credit	
12 Depreciation and Section 179 deduction from Form 4562 (not included in Part III)		c Subtract line 28b from 28a	
		29 Windfall Profit Tax withheld in 1983	
		30 Other expenses (specify):	
13 Dues and publications		a COMMISSION	3,750.
14 Employee benefit programs		b	
15 Freight (not included in Part III)		c	
16 Insurance		d	
17 Interest on business indebtedness		e	
18 Laundry and cleaning		f	
19 Legal and professional services		g	
20 Office expense		h	
21 Pension and profit-sharing plans		i	
22 Rent on business property		j	
23 Repairs		k	

31 Add amounts in columns for lines 6 through 30k. These are the total deductions ▶	31	8,961.
32 Net profit or (loss). Subtract line 31 from line 5 and enter the result. If a profit, enter on Form 1040, line 12, and on Schedule SE, Part I, line 2 (or Form 1041, line 6). If a loss, go on to line 33	32	139,689.

33 If you have a loss, you must answer this question: "Do you have amounts for which you are not at risk in this business (see Instr.)?" ☐ Yes ☐ No
If "Yes," you must attach Form 6198. If "No," enter the loss on Form 1040, line 12, and on Schedule SE, Part I, line 2 (or Form 1041, line 6).

PART III. – Cost of Goods Sold and/or Operations (See Schedule C Instructions for Part III)

1 Inventory at beginning of year (if different from last year's closing inventory, attach explanation)	1	
2 Purchases less cost of items withdrawn for personal use	2	
3 Cost of labor (do not include salary paid to yourself)	3	
4 Materials and supplies	4	
5 Other costs	5	
6 Add lines 1 through 5	6	
7 Less: Inventory at end of year	7	
8 Cost of goods sold and/or operations. Sutract line 7 from line 6. Enter here and in Part I, line 2 above	8	

SCHEDULE D
(FORM 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040).

OMB No. 1545-0074
1983
11

Name(s) as shown on Form 1040	Your social security number
JOHN A ZACCARD	061-30-8534

PART I. – Short-term Capital Gains and Losses–Assets Held One Year or Less

a. Description of property (Example, 100 shares 7% preferred of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price	e. Cost or other basis, plus expense of sale	f. LOSS If column (e) is more than (d) subtract (d) from (e)	g. GAIN If column (d) is more than (e) subtract (e) from (d)
1 SEE FORM 6252						
	2/24/83	5/04/83				15,026.

2 Short-term gain from sale or exchange of a principal residence from Form 2119, line 7 or 11	2	▨	
3 Short-term capital gain from installment sales from Form 6252, line 21 or 29	3	▨	
4 Net short-term gain or (loss) from partnerships, S corporations, and fiduciaries	4		
5 Add lines 1 through 4 in column f and column g	5		15,026.
6 Combine columns f and g of line 5 and enter the net gain or (loss)	6		15,026.
7 Short-term capital loss carryover from years beginning after 1969	7		-241.
8 Net short-term gain or (loss), combine lines 6 and 7	8		14,785.

PART II. – Long-term Capital Gains and Losses–Assets Held More Than One Year

9						

10 Long-term gain from sale or exchange of a principal residence from Form 2119, lines 7, 11, 16 or 18	10	▨	
11 Long-term capital gain from installment sales from Form 6252, line 21 or 29	11	▨	
12 Net long-term gain or (loss) from partnerships, S corporations, and fiduciaries	12		3,353.
13 Add lines 9 through 12 in column f and column g	13		3,353.
14 Combine columns f and g of line 13 and enter the net gain or (loss)	14		3,353.
15 Capital gain distributions	15		
16 Enter gain from Form 4797, line 6(a)(1)	16		
17 Combine lines 14 through 16	17		3,353.
18 Long-term capital loss carryover from years beginning after 1969	18		
19 Net long-term gain or (loss), combine lines 17 and 18	19		3,353.

Note: *Complete this form on page 2. However, if you have capital loss carryovers from years beginning before 1970, do not complete Parts III or V. See Form 4798 instead.*

Form **6252**
Department of the Treasury
Internal Revenue Service

Computation of Installment Sale Income

▶ See instructions. ▶ Attach to your tax return.

Use a separate form for each sale or other disposition of property on the installment method.

OMB No. 1545-0228
1983
79

Name(s) as shown on tax return: JOHN A ZACCARO
Identifying number: 061-30-8534

A Description of property ▶ (SEC. 1231 ASSET) 527/29 CANAL ST

B Date acquired (month, day, and year) ▶ 2/24/83 C Date sold (month, day, and year) ▶ 5/04/83

D Was property sold to a related party after May 14, 1980? (See instruction C) ☐ Yes ☒ No

E If the answer to D is "Yes," was the property a marketable security? ☐ Yes ☐ No

If you checked "Yes" to question E, complete Part III.
If you checked "No" to question E, complete Part III for the year of sale and for 2 years after the year of sale.

PART I.—Computation of Gross Profit and Contract Price *(Complete this part for year of sale only.)*

1 Selling price including mortgages and other indebtedness (Do not include interest whether stated or unstated)			1	58,333.
2 Mortgages and other indebtedness buyer assumes or takes property subject to (Do not include new mortgages from a bank or other source.)	2			
3 Subtract line 2 from line 1	3	58,333.		
4 Cost or other basis of property sold	4	25,437.		
5 Depreciation allowed or allowable	5			
6 Adjusted basis (subtract line 5 from line 4)	6	25,437.		
7 Commissions and other expenses of sale	7	1,959.		
8 Add line 6 and line 7			8	27,396.
9 Subtract line 8 from line 1. If result is zero or less, do not complete rest of form			9	30,937.
10 If question A is a principal residence, enter the sum of Form 2119, lines 12, 15, and 19			10	
11 Gross profit (subtract line 10 from line 9)			11	30,937.
12 Subtract line 6 from line 2. If line 6 is more than line 2, enter zero			12	0.
13 Contract price (add line 3 and line 12)			13	58,333.

PART II.—Computation of Taxable Part of Installment Sale *(Complete this part for year of sale and any year you receive a payment.)*

14 Gross profit ratio (divide line 11 by line 13) (for years after the year of sale, see instructions)			14	53.03516
15 For year of sale only – enter amount from line 12 above; otherwise enter zero			15	
16 Payments received during year (Do not include interest whether stated or unstated)			16	28,333.
17 Add lines 15 and 16			17	28,333.
18 Payments received in prior years (Do not include interest whether stated or unstated)	18			
19 Taxable part of installment sale (multiply line 17 by line 14)			19	15,026.
20 Part of line 19 that is ordinary income under recapture rules			20	
21 Subtract line 20 from line 19. Enter on Schedule D or Form 4797			21	15,026.

PART III.—Information and Computation for Related Party Installment Sale
(Do not complete this part if you received the final installment payment this tax year.)

F Name, address, and taxpayer identifying number of related party

G Did the related party, during this tax year, resell or dispose of the property? ☐ Yes ☐ No

H If the answer to question G is "Yes," complete lines 22 through 29 below unless one of the following conditions is met (check only the box that applies).

- ☐ The first disposition was a sale or exchange of stock to the issuing corporation.
- ☐ The second disposition was an involuntary conversion where the threat of conversion occurred after the first disposition.
- ☐ The second disposition occurred after the death of the original seller or purchaser.
- ☐ It can be established to the satisfaction of the Internal Revenue Service that tax avoidance was not a principal purpose for either of the dispositions. If this box is checked, attach an explanation. (See instruction C.)

22 Selling price of property sold by related party	22	
23 Enter contract price from line 13 for year of first sale	23	
24 Enter the smaller of line 22 or line 23	24	
25 Total payments received by the end of your 1983 tax year. Add lines 17 and 18	25	
26 Subtract line 25 from line 24. If line 25 is more than line 24, enter zero	26	
27 Multiply line 26 by line 14 for year of first sale	27	
28 Part of line 27 that is ordinary income under recapture rules	28	
29 Subtract line 28 from line 27. Enter on Schedule D or Form 4797	29	

85-2396283

Form 6252 (1983)

STATEMENT 4 - GAIN ON INSTALLMENT SALES - SEC. 1231 ASSETS

PROPERTY DESCRIPTION CURRENT YEAR SALE
527/29 CANAL ST

DATE ACQUIRED 2/24/83 DATE SOLD 5/04/83

GROSS SALES PRICE			58,333
COST OR OTHER BASIS		25,437	
LESS ACCUMULATED DEPRECIATION		0	
ADJUSTED BASIS		25,437	
EXPENSE OF SALE		1,959	
TOTAL BASIS AND EXPENSE OF SALE			27,396
GROSS PROFIT			30,937
TOTAL CONTRACT PRICE			58,333
GROSS PROFIT RATIO	30,937 /	58,333	53.03516 PCT
COLLECTIONS IN YEAR OF SALE			
CASH (DOWN PAYMENT AND PRINCIPAL)		28,333	
TOTAL COLLECTIONS IN YEAR OF SALE			28,333
GAIN RECOGNIZED THIS YEAR			15,026

062-30-8534

Schedule D (Form 1040) 1983 Page 2

PART III. – Summary of Parts I and II

20 Combine lines 8 and 19, and enter the net gain or (loss) here		20	18,138.
Note: *If line 20 is a loss, skip lines 21 through 23 and complete lines 24 and 25. If line 20 is a gain complete lines 21 through 23 and skip lines 24 and 25.*			
21 If line 20 shows a gain, enter the smaller of line 19 or line 20. Enter zero if there is a loss or no entry on line 19	21 3,353.		
22 Enter 60% of line 21		22	2,012.
If line 22 is more than zero, you may be liable for the alternative minimum tax. See Form 6251.			
23 Subtract line 22 from line 20. Enter here and on Form 1040, line 13		23	16,126.
24 If line 20 shows a loss, enter one of the following amounts: a If line 8 is zero or a net gain, enter 50% of line 20; b If line 19 is zero or a net gain, enter line 20; or c If line 8 and line 19 are net losses, enter amount on line 8 added to 50% of the amount on line 19		24	
25 Enter here and as a loss on Form 1040, line 13, the smallest of: a The amount on line 24; b $3,000 ($1,500 if married and filing a separate return); or c Taxable income, as adjusted		25	

PART IV. – Complete this Part Only if You Elect Out of the Installment Method And Report a Note or Other Obligation at Less Than Full Face Value

☐ Check here if you elect out of the installment method.

Enter the face amount of the note or other obligation ▶

Enter the percentage of valuation of the note or other obligation ▶

PART V. – Computation of Post-1969 Capital Loss Carryovers from 1983 to 1984

(Complete this part if the loss on line 24 is more than the loss on line 25)

Note: You do not have to complete Part V on the copy you file with IRS.

Section A. – Short-term Capital Loss Carryover

26 Enter loss shown on line 8; if none, enter zero and skip lines 27 through 30 – then go to line 31	26	
27 Enter gain shown on line 19. If that line is blank or shows a loss, enter zero	27	
28 Reduce any loss on line 26 to the extent of any gain on line 27	28	
29 Enter smaller of line 25 or line 28	29	
30 Subtract line 29 from line 28. This is your short-term capital loss carryover from 1983 to 1984	30	

Section B. – Long-term Capital Loss Carryover

31 Subtract line 29 from line 25 (**Note:** *If you skipped lines 27 through 30, enter amount from line 25*)	31	
32 Enter loss from line 19; if none, enter zero and skip lines 33 through 36	32	
33 Enter gain shown on line 8. If that line is blank or shows a loss, enter zero.	33	
34 Reduce any loss on line 32 to the extent of any gain on line 33	34	
35 Multiply amount on line 31 by 2	35	
36 Subtract line 35 from line 34. This is your long-term capital loss carryover from 1983 to 1984	36	

ZACCARO

SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

Supplemental Income Schedule

(From rents and royalties, partnerships, estates, and trusts, etc.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074
1983
12

Name(s) as shown on Form 1040
JOHN A ZACCARO

Your social security number
061-30-8534

PART I. - Rent and Royalty Income or Loss

1 Are any of the expenses listed below for a vacation home or other recreational unit (see Instructions)? . . . . . ☐ Yes ☐ No

2 If you checked "Yes" to question 1, did you or a member of your family occupy the vacation home or other recreational unit for more than the greater of 14 days or 10% of the total days rented at fair rental value during the tax year? . ☐ Yes ☐ No

Property Codes	Kind and Location of Property
A	
B	
C	

		Properties				Totals (Add columns A, B, and C)
Rental and Royalty Income		A	B	C		
3 a Rents received						
b Royalties received					3	
Rental and Royalty Expenses						
4 Advertising	4					
5 Auto and travel	5					
6 Cleaning and maintenance	6					
7 Commissions	7					
8 Insurance	8					
9 Interest	9					
10 Legal and other professional fees	10					
11 Repairs	11					
12 Supplies	12					
13 Taxes (Do not include Windfall Profit Tax here. See Part III, line 37.)	13					
14 Utilities	14					
15 Wages and salaries	15					
16 Other (list) ▶						
17 Total expenses other than depreciation and depletion. Add lines 4 through 16	17				17	
18 Depreciation expense or depletion	18				18	
19 Total. Add lines 17 and 18	19					
20 Income or (loss) from rental or royalty properties. Subtract line 19 from line 3	20					

21 Add properties with profits on line 20, and write the total profits here	21	
22 Add properties with losses on line 20, and write the total (losses) here	22	
23 Combine amounts on lines 21 and 22, and write the net profit or (loss) here	23	
24 Net farm rental profit or (loss) from Form 4835, line 49	24	
25 Total rental or royalty income or (loss). Combine amounts on lines 23 and 24, and write the total here. If Parts II, III, and IV on page 2 do not apply to you, write the amount from line 25 on Form 1040, line 18. Otherwise, include the amount in line 39 on page 2 of Schedule E	25	

Schedule E (Form 1040) 1983 12 Page 2

Name(s) as shown on Form 1040	Your social security number
JOHN A ZACCARD	061-30-8534

PART II. - Income or Losses from Partnerships, Estates or Trusts, or S Corporations

If you report a loss below, and have amounts invested in that activity for which you are not at risk, you may have to file Form 6198. See instructions.

	(a) Name	(b) Check if foreign partnership	(c) Employer identification number	(d) Net loss (see instructions for "at risk" limitations)	(e) Net income
Partnerships	SEE STATEMENT 2				38,504.
	26 Add amounts in columns (d) and (e) and write the total(s) here		26		38,504.
	27 Combine amounts in columns (d) and (e), line 26, and write the net income or (loss)			27	38,504.
	28 Deduction for section 179 property (from Form 1065, Schedule K-1). (See Instructions for limitations.)			28	
	29 Total partnership income or (loss). Combine amounts on lines 27 and 28. Write the total here and include in line 39 below			29	38,504.
Estates or Trusts					
	30 Add amounts in columns (d) and (e) and write the total(s) here		30		
	31 Total estate or trust income or (loss). Combine amounts in columns (d) and (e), line 30. Write the total here and include in line 39 below			31	
S Corporations	SEE STATEMENT 3			8,162.	
	32 Add amounts in columns (d) and (e) and write the total(s) here		32	-8,162.	
	33 Combine amounts in columns (d) and (e), line 32, and write the net income or (loss)			33	-8,162.
	34 Deduction for section 179 property (from Form 1120S, Schedule K-1). (See Instructions for limitations.)			34	
	35 Total S corporation income or (loss). Combine amounts on lines 33 and 34. Write the total here and include in line 39 below			35	-8,162.

PART III. - Windfall Profit Tax Summary

36 Windfall profit tax credit or refund received in 1983 (see Instructions)	36	
37 Windfall profit tax withheld in 1983 (see Instructions)	37	
38 Combine amounts on lines 36 and 37. Write the total here and include in line 39 below	38	

PART IV. - Summary

39 TOTAL income or (loss). Combine lines 25, 29, 31, 35, and 38. Write total here and on Form 1040, line 18 ▶			39	30,342.
40 Farmers and fishermen: Write your share of GROSS FARMING AND FISHING INCOME applicable to Parts I and II	40			

PART V. - Depreciation Claimed in Part I. - Complete only if property was placed in service before January 1, 1981. For more space, use Form 4562. If you placed any property in service after December 31, 1980, use Form 4562 for all property; do NOT complete Part V.

	(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in prior years	(e) Depreciation method	(f) Life or rate	(g) Depreciation for this year
Property A							
	Totals (Property A)						
Property B							
	Totals (Property B)						
Property C							
	Totals (Property C)						

ZACCARD 115 3932-94 12

SCHEDULE SE
(Form 1040)
Department of the Treasury
Internal Revenue Service

Computation of Social Security Self-Employment Tax

▶ See instructions for Schedule SE (Form 1040).
▶ Attach to Form 1040.

OMB No. 1545-0074
19 1983

Name of self-employed person (as shown on social security card): JOHN A ZACCARD

Social security number of self-employed person ▶ 061-30-8534

PART I. - Regular Computation of Net Earnings from Self-Employment

1	Net profit or (loss) from:			
a	Schedule F (Form 1040), line 56 or line 89			
b	Farm partnerships, Schedule K-1 (Form 1065), line 18b			
	Net earnings from farm self-employment		1	
2	Net profit or (loss) from:			
a	Schedule C (Form 1040), line 32	139,689.		
b	Partnerships (other than farming), Schedule K-1 (Form 1065), line 18b			
c	Service as a minister or member of a religious order. NOTE: If you are exempt from self-employment tax because you filed Form 4361, but you have other earnings of $400 or more that are subject to self-employment tax, check here ▶ ☐			
d	Service with a foreign government or international organization			
e	Other ▶			
	Total	139,689.		
	Adjustments			
	Net earnings from nonfarm self-employment		2	139,689.

PART II. - Optional Computation of Net Earnings from Self-Employment

Generally, this part may be used only if you meet any of the following tests:

A Your gross farm profits (Schedule F (Form 1040), line 31 or line 87) were not more than $2,400, or

B Your gross farm profits (Schedule F (Form 1040), line 31 or line 87) were more than $2,400 and your net farm profits (Schedule F (Form 1040), line 56 or line 89) were less than $1,600, or

C Your net nonfarm profits (Schedule C (Form 1040), line 32) were less than $1,600 and also less than two-thirds (2/3) of your gross nonfarm income (Schedule C (Form 1040), line 5).

See instructions for other limitations.

3	Maximum income for optional methods	3	$1,600.00
4	Farm Optional Method-Enter two thirds (2/3) of gross profits from Schedule F (Form 1040), line 31 or line 87, and farm partnerships, Schedule K-1 (Form 1065), line 18a, or $1,600, whichever is smaller	4	
5	Subtract line 4 from line 3	5	
6	Nonfarm Optional Method-Enter the smaller of two thirds (2/3) of gross nonfarm income from Schedule C (Form 1040), line 5, and Schedule K-1 (Form 1065), line 18c (other than farming), or $1,600, or, if you elected the farm optional method, the amount on line 5	6	

PART III. - Computation of Social Security Self-Employment Tax

7	Enter the amount from Part I, line 1, or, if you elected the farm optional method, Part II, line 4			7	
8	Enter the amount from Part I, line 2, or, if you elected the nonfarm optional method, Part II, line 6			8	139,689.
9	Add lines 7 and 8. If less than $400, you are not subject to self-employment tax. Do not fill in the rest of the schedule			9	139,689.
10	The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax (Tier I) for 1983 is			10	$35,700.00
11 a	Total social security wages from Forms W-2 and railroad retirement compensation (Tier I)	11a	13,104.		
b	Unreported tips subject to social security tax from Form 4137, line 9, or to railroad retirement tax (Tier I)	11b			
c	Add lines 11a and 11b			11c	13,104.
12	Subtract line 11c from line 10			12	22,596.
13	Enter the smaller of line 9 or line 12			13	22,596.
	If line 13 is $35,700 or more, fill in $3,337.95 on line 14. Otherwise, multiply line 13 by .0935 and enter the result on line 14				.0935
14	Self-employment tax. Enter this amount on Form 1040, line 50			14	2,113.

85-2396883

Schedule SE (Form 1040) 1983

Form **2210**
Department of the Treasury
Internal Revenue Service

Underpayment of Estimated Tax by Individuals

▶ Attach to Form 1040

OMB No. 1545-0140
1983
56

Name(s) as shown on Form 1040: JOHN A ZACCARO

Social security number: 061-30-8534

Part I. – Figuring Your Underpayment

If you received interest and dividend income after June 30, 1983, and underpaid your April or June installment, (See instructions under Interest and Dividend Income.) check this box ▶ ☐

1 1983 tax (from Form 1040, line 56)	1	67,490.
2 Add the amounts on lines 51, 53, 54, 59, and 62, Form 1040. Also add tax on an IRA from Part I or III, Form 5329, reported on line 55, Form 1040. Write total here	2	
3 Subtract line 2 from line 1	3	67,490.
4 Add the amounts on lines 57 and 61, Form 1040. (Also add amount from Form 6249. See instructions.) Write the total here	4	884.
5 Subtract line 4 from line 3. (If less than $300, stop here; do not complete the rest of this form.)	5	66,606.
6 Multiply the amount on line 3 by .80 (80%) and enter result here	6	53,992.

		Payment Due Dates			
		(a) April 15, 1983	(b) June 15, 1983	(c) Sept. 15, 1983	(d) Jan. 15, 1984
7 Divide amount on line 6 by the number of payments required for the year (usually four). Enter the result in appropriate columns	7	13,498.	13,498.	13,498.	13,498.
8 Estimated tax paid and tax withheld	8	5,046.	5,046.	5,046.	5,046.
9 Overpayment (see instructions)	9				
10 Add lines 8 and 9	10	5,046.	5,046.	5,046.	5,046.
11 Underpayment. (Subtract line 10 from line 7.) OR Overpayment. (Subtract line 7 from line 10.)	11	8,452.	8,452.	8,452.	8,452.

Part II. – Exceptions to the Penalty

12 Total amount paid and withheld from January 1 through payment due date shown	12	5,046.	10,092.	15,138.	20,184.
13 Exception 1. – Enter 1982 tax [illegible] ▶ $	13	25% of 1982 tax:	50% of 1982 tax:	75% of 1982 tax:	100% of 1982 tax:
14 Exception 2. – Tax on 1982 income using 1983 rates and exemptions. SEE STAT 5	14	Enter 25% of tax: 4,300.	Enter 50% of tax: 8,599.	Enter 75% of tax: 12,899.	Enter 100% of tax: 17,198.
15 Exception 3. – Tax on annualized 1983 income. (Attach computation.)	15	Enter 20% of tax:	Enter 40% of tax:	Enter 60% of tax:	Exceptions Do Not Apply
16 Exception 4. – Tax on 1983 income over 3-, 5-, and 8-month periods	16	Enter 90% of tax:	Enter 90% of tax:	Enter 90% of tax:	

Part III. – Figuring the Penalty (Complete for any underpayment to which no exception applies.)

17a Number of days after payment due date through the date of payment or June 30, 1983, whichever is earlier. If June 30 is earlier, enter 76 and 15 respectively	17a				
b Number of days after payment due date or June 30, 1983, whichever is later, through date of payment or December 31, 1983, whichever is earlier. If December 31 is earlier, enter 184, 184, and 107 respectively	17b				
c Number of days after payment due date or December 31, 1983, whichever is later, through date of payment or April 15, 1984, whichever is earlier. If April 15 is earlier, enter 106, 106, 106, and 91 respectively	17c				
18a $\frac{\text{Number of days on line 17a}}{365}$ X 16% X underpayment on line 11	18a				
b $\frac{\text{Number of days on line 17b}}{365}$ X 11% X underpayment on line 11	18b				
c $\frac{\text{Number of days on line 17c}}{366}$ X 11% X underpayment on line 11	18c				

19 Penalty (add amounts on lines 18a, b, and c). Check the box below line 68 on Form 1040 and show this amount in the space provided. If you owe tax, add penalty to tax and show total on line 68. If you are due a refund, subtract penalty from overpayment on line 65	19	0.

85-2388883

Form 2210 (1983)

061-30-8534 ZACCARO 115 3932-94

1983 FEDERAL INCOME TAX STATEMENTS PAGE 1

STATEMENT 1 - WAGES, SALARIES, TIPS, ETC.

EMPLOYERS NAME AND ADDRESS	INCOME TAX WITHHELD	WAGES SALARIES TIPS, ETC	FICA
P ZACCARO CO INC	884	13,104	878
TOTAL TAX WITHHELD, WAGES, AND FICA	884	13,104	878

STATEMENT 2 - INCOME FROM PARTNERSHIPS

NAME AND ADDRESS OF PARTNERSHIP
SECOND GRAND CO NO13-3016186

TOTAL PARTNERSHIP INCOME 38,504

STATEMENT 3 - INCOME FROM S CORPORATIONS

NAME AND ADDRESS OF CORPORATION
P ZACCARO CO INC NO
13-2682158

ORDINARY INCOME -8,162

1983 FEDERAL INCOME TAX STATEMENTS PAGE 2

STATEMENT 4 - MISCELLANEOUS INCOME

	SUBJECT TO SE TAX	OTHER TAXABLE INCOME	TOTAL TAXABLE INCOME
GROUP INSURANCE		1,932	1,932
TOTAL MISCELLANEOUS INCOME	0	1,932	1,932

STATEMENT 5 - EXCEPTIONS WHICH AVOID THE PENALTY FOR UNDERPAYMENT OF ESTIMATED TAX

EXCEPTION 2 - TAX ON PRIOR YEAR INCOME USING 1983 RATES AND EXEMPTIONS

TAXABLE INCOME FOR EXCEPTION 2	50,318	
TAX - TAX RATE SCHEDULES		17,248
OTHER CREDITS		50
INCOME TAX AFTER CREDITS		17,198
TOTAL TAX FOR EXCEPTION 2		17,198

STATEMENT 6 - MISCELLANEOUS ITEMIZED DEDUCTIONS

EXPENSES-PRODUCTION OF INCOME	610	
TOTAL MISCELLANEOUS ITEMIZED DEDUCTIONS		610

061-30-8534 ZACCARO 115 3932-94

1983 FEDERAL INCOME TAX STATEMENTS

STATEMENT 7 - CASH CONTRIBUTIONS UNDER $3,000

CHARITIES QUALIFYING FOR 50 PCT LIMITATION

CHURCH	600	
OTHER RECEIPTED CASH CONTRIBUTIONS	6,945	

TOTAL CASH CONTRIBUTIONS TO CHARITIES QUALIFYING FOR 50 PCT. LIMITATION		7,545

TOTAL CASH CONTRIBUTIONS UNDER $3000		7,545
		==========

115068-9074-10 00[illegible]

EXHIBIT NO. 20

SCHEDULE TC
(Form 1040)
Department of the Treasury
Internal Revenue Service

Tax Computation Schedule

▶ Attach to Form 1040.

1978

Name(s) as shown on Form 1040
JOHN A AND GERALDINE ZACCARO

Your social security number
061 30 8534

Part I Tax Computation for Taxpayers Who Cannot Use the Tax Tables

Use this part to figure your tax if:

- Your income on Form 1040, line 34, is more than $20,000 and you checked Filing Status Box 1, 3, or 4 on Form 1040.
- Your income on Form 1040, line 34, is more than $40,000 and you checked Filing Status Box 2 or 5 on Form 1040.
- You had more exemptions than were covered in the Tax Table for your filing status.
- You figure your tax using the alternative tax computation on Schedule D (Capital Gains and Losses), Schedule G (Income Averaging), or Form 4726 (Maximum Tax on Personal Service Income).

1 Enter your Tax Table Income from Form 1040, line 34			1	90,331.
2 Multiply $750 by the total number of exemptions claimed on Form 1040, line 7			2	3,750.
3 Taxable Income. Subtract line 2 from line 1. (Figure your tax on this amount by using the Tax Rate Schedules or one of the other methods listed on line 4.)			3	86,581.
4 Income Tax. Enter tax and check if from: ☐ Tax Rate Schedule X, Y, or Z, ☐ Schedule D, ☒ Schedule G, or ☐ Form 4726			4	32,130.
General Tax Credit				
5 Multiply $35 by the total number of exemptions claimed on Form 1040, line 7. *(If you are married filing a separate return, skip lines 6 through 9 and enter the amount from line 5 on line 10.)*	5	175.		
6 Enter the amount from line 3, above	6	86,581.		
7 Enter { $3,200 if you are married filing a joint return or a qualifying widow(er) / $2,200 if you are single or an unmarried head of household }	7	3,200.		
8 Subtract line 7 from line 6	8	83,381.		
9 Enter 2% of line 8 (but do not enter more than $180)	9	180.		
10 General tax credit. Enter the amount from line 5 or line 9, whichever is larger			10	180.
11 Tax. Subtract line 10 from line 4. (If $0 or less, enter $0.) Enter this amount on Form 1040, line 35 ▶			11	31,950.

TC

Part II Computation for Certain Taxpayers Who Must Itemize Deductions

If you are included in one of the groups below, you MUST itemize. If you must itemize and the amount on Schedule A (Form 1040), line 40, is more than your itemized deductions on Schedule A, line 39, you must complete Part II before figuring your tax.

You MUST itemize your deductions if:

A. You can be claimed as a dependent on your parent's return and had interest, dividends, or other unearned income of $750 or more and less than $2,200 of earned income if single (less than $1,600 if married filing a separate return).

Note: *If your earned income is more than your itemized deductions on Schedule A, line 39, enter your earned income in Part II, line 3, of this schedule, unless you are married filing a separate return and your spouse itemizes deductions. Generally, your earned income is the total of any amounts on Form 1040, lines 8, 13, and 19. See page 11 of the Instructions for Form 1040 for more details.*

B. You are married filing a separate return and your spouse itemizes deductions. (There is an exception to this rule. You don't have to itemize if your spouse must itemize only because he or she is described in A and enters earned income instead of itemized deductions on Part II, line 3, of this schedule. If this is the case, don't complete Part II. Go back to Form 1040, line 33, and enter $0. Then go to Form 1040, line 34.)

C. You file Form 4563 to exclude income from sources in U.S. possessions. (Please see Form 4563, and Publication 570, Tax Guide for U.S. Citizens Employed in U.S. Possessions, for more details.)

D. You had dual status as a nonresident alien for part of 1978, and during the rest of the year you were either a resident alien or a U.S. citizen. However, you don't have to itemize if at the end of 1978, you were married to a U.S. resident or citizen and file a joint return reporting your combined worldwide income.

1 Enter the amount from Form 1040, line 31			1	
2 Enter the amount from Schedule A, line 40	2			
3 Enter the amount from Schedule A, line 39 **Caution:** *If you can be claimed as a dependent on your parent's return, see the Note above. Be sure you check the box below line 33 of Form 1040.*	3			
4 Subtract line 3 from line 2			4	
5 Add lines 1 and 4. Enter here and on Form 1040, line 34. (Leave Form 1040, line 33 blank. Disregard				

Form **4625**
Department of the Treasury
Internal Revenue Service

Computation of Minimum Tax—Individuals

▶ Attach to Form 1040
(Please see instructions on back)

1978

Name(s) as shown on Form 1040	Your social security number
JOHN A & GERALDINE ZACCARO	061 30 8534

1 Tax Preference Items.

File this form if the total of tax preference items (line 2) is more than $10,000 ($5,000 if married filing separately) even though you owe no minimum tax, OR if you have any minimum tax liability deferred from a previous taxable year until this year. If this is a short-period return, see instructions for line 8. Caution: See Limitations on Amounts Treated as Tax Preference Items in Certain Cases in instructions.

(a) Adjusted itemized deductions		
(b) Accelerated depreciation on real property:		
(1) Low-income rental housing under section 167(k)		
(2) Other real property		
(c) Accelerated depreciation on personal property subject to a lease		
(d) Amortization of certified pollution control facilities		
(e) Amortization of railroad rolling stock		
(f) Amortization of on-the-job training facilities		
(g) Amortization of child care facilities		
(h) Reserves for losses on bad debts of financial institutions		
(i) Stock options		
(j) Depletion		
(k) Capital gains		42000
(l) Intangible drilling costs		
2 Total tax preference items. Add lines 1(a) through 1(l)		42000
3 Amount from Form 1040, line 47*	31950	
4 Tax from recomputing prior-year investment credit		
5 Tax from recomputing prior-year Work Incentive (WIN) credit		
6 Tax on premature redemption of Individual Retirement Bond(s)		
7 Add lines 3 through 6	31950	
8 Enter the larger of: (a) one-half of the amount on line 7, or (b) $10,000 ($5,000 if married filing separately)		15975
9 Subtract line 8 from line 2 (If line 8 is more than line 2, enter zero)		26025
10 Multiply amount on line 9 by 15% and enter here		3904
11 Enter any 1978 net operating loss carryover to 1979 (attach statement showing computation)		
12 Multiply amount on line 11 by 15% and enter here		
13 Deferred minimum tax. Enter the smaller of amount on line 10 or line 12		0
14 Minimum Tax. Subtract line 13 from line 10		3904
15 Enter minimum tax deferred from previous year(s) until this year (attach statement showing computation)		
16 Total minimum tax. Add lines 14 and 15		3904
17 Excess tax credits. See instructions for line 17 before completing this section. If Form 1040, line 47 is more than zero, this section will not apply; skip lines 17(a) through 18 and enter the amount from line 16 on line 19.		
(a) Credit for the elderly		
(b) Credit for political contributions		
(c) Credit for child care expenses		
(d) Residential energy credits		
18 Add lines 17(a) through 17(d)		
19 Subtract line 18 from line 16. Enter here and on Form 1040, line 49		3904

*Do not include any tax imposed under sec. 402(e) (ordinary income portion of lump-sum distributions) or any partial tax under sec. 667 (accumulation distribution by trusts), or any penalty tax under sec. 72(m)(5).

Form 4625 (1978)

115068-9074-10 f 349

Schedules A&B (Form 1040) 1978

Schedule B—Interest and Dividend Income

Page 2

Name(s) as shown on Form 1040: JOHN A AND GERALDINE ZACCARO

Your social security number: [illegible] 30 536

Part I Interest Income

1 If you received more than $400 in interest, Complete Part I. Please see page 9 of the instructions to find out what interest to report. Then answer the questions in Part III, below. If you received interest as a nominee for another, or you received or paid accrued interest on securities transferred between interest payment dates, please see page 10 of the instructions.

Name of payer	Amount
SEE SCHEDULE-B	

2 Total interest income. Enter here and on Form 1040, line 9 . . . . 4,081.

Part II Dividend Income

3 If you received more than $400 in gross dividends (including capital gain distributions) and other distributions on stock, complete Part II. Please see page 9 of the instructions. Write (H), (W), (J), for stock held by husband, wife, or jointly. Then answer the questions in Part III, below. If you received dividends as a nominee for another, please see page 10 of the instructions.

Name of payer	Amount

4 Total of line 3 . . . .

5 Capital gain distributions. Enter here and on Schedule D, line 7. See Note below . . .

6 Nontaxable distributions . . . . . .

7 Total (add lines 5 and 6) . . . .

8 Dividends before exclusion (subtract line 7 from line 4). Enter here and on Form 1040, line 10A . . . .

Note: *If you received capital gain distributions and do not need Schedule D to report any other gains or losses or to compute the alternative tax, do not file that schedule. Instead, enter the taxable part of capital gain distributions on Form 1040, line* 15

Part III Foreign Accounts and Foreign Trusts

If you are required to list interest in Part I or dividends in Part II, OR if you had a foreign account or were a grantor of, or a transferor to a foreign trust, you must answer both questions in Part III. Please see page 18 of the instructions.

	Yes	No
A Did you, at any time during the taxable year, have an interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (see page 18 of instructions)? . .		X
B Were you the grantor of, or transferor to, a foreign trust during any taxable year, which foreign trust was in being during the current taxable year, whether or not you have any beneficial interest in such trust? . If "Yes," you may be required to file Forms 3520, 3520-A, or 926.		X

FORM 13 – DIVIDEND INCOME – 1978

TAXPAYER(S) NAME JOHN A & GERALDINE ZACCARO

P

ACCOUNT NO. 115068

13	SCHEDULE 5 – DIVIDEND INCOME *IF SCHEDULE "D" IS NOT USED THE COMPUTER WILL CALCULATE 50% CAP GAIN DIST AS MISC INCOME	H.W. OR J	QUALIFYING	*CAP GAIN DISTRIBUTIONS	NONTAXABLE	NON-QUALIFYING	PA. STATE AMOUNT

RECAP TOTALS ONLY	TAXPAYER		TOTAL – TAXPAYER	11	12	13	14	23
	SPOUSE		TOTAL – SPOUSE	15	16	17	18	24
	JOINT		TOTAL – JOINT INC.	19	20	21	22	25
	GROSS DIV.							

FOR PTS USE ONLY 99

FORM 14 – INTEREST INCOME – 1978

14	SCHEDULE 6 – INTEREST INCOME	H.W. OR J	FEDERAL AMOUNT	STATE MODIFICATION
	BANK OF BABYLON	J	14	
	NEW ENGLAND MUTUAL	H	34	
	EAST RIVER SAV	J	1238	
	RIDGEWOOD SAV	W	1149	
	JEB REALTY	W	876	
	EAST RIVER SAV	H	759	
	SALTAIRE	H	11	

TAXPAYER	11 804	12	
SPOUSE	13 2025	14	
JOINT INC	15 1252	16	

FORFEITED INTEREST PENALTY FOR PREMATURE WITHDRAWAL

TAXPAYER	SPOUSE
17	18

FOREIGN ACCOUNTS AND FOREIGN TRUSTS

ENTER DIGIT 1 IF THE TAXPAYER(S) HAD A FOREIGN BANK ACCOUNT, ETC., DURING THE TAXABLE YEAR. IF YES, SEE PAGE 3 OF IRS INSTRUCTIONS. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER. 20

ENTER DIGIT 1 IF THE TAXPAYER(S) WERE GRANTORS OR TRANSFERORS OF A FOREIGN TRUST DURING THE TAXABLE YEAR. IF YES, ATTACH FORM 3520, ETC. TO THE RETURN. IF LEFT BLANK THE COMPUTER WILL INDICATE A NO ANSWER. 21

STATE MODIFICATION OF INTEREST INCOME

ENTER STATE NONTAXABLE PORTION OF FEDERAL INTEREST INCOME IN THE STATE MODIFICATION COLUMN AS A NEGATIVE ( )

ENTER FEDERAL NONTAXABLE INTEREST INCOME WHICH IS TO BE PICKED UP FOR STATE RETURN IN THE STATE MODIFICATION COLUMN AS A POSITIVE.

ENTER NET MODIFICATION IN THE APPROPRIATE BOX(ES).

/

FOR PTS USE ONLY 99 1

FORM 13 – COPYRIGHT 1978 PROGRAMMED TAX SYSTEMS, INC.

119068-9074-10 108399

Schedules A&B—Itemized Deductions AND Interest and Dividend Income 1978
(Form 1040)
Department of the Treasury Internal Revenue Service
▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

Name(s) as shown on Form 1040: JOHN A AND GERALDINE ZACCARO
Your social security number: 061 30 8534

Schedule A—Itemized Deductions

Medical and Dental Expenses (not paid by insurance or otherwise) (See page 15 of Instructions.)

1 One-half (but not more than $150) of insurance premiums you paid for medical care. (Be sure to include in line 10 below.)	150.
2 Medicine and drugs	
3 Enter 1% of Form 1040, line 31	1,086.
4 Subtract line 3 from line 2. If line 3 is more than line 2, enter zero	0.
5 Balance of insurance premiums for medical care not entered on line 1	150.
6 Other medical and dental expenses:	
a Doctors, dentists, nurses, etc.	
b Hospitals	
c Other (itemize—include hearing aids, dentures, eyeglasses, transportation, etc.) ▶	
7 Total (add lines 4 through 6c)	150.
8 Enter 3% of Form 1040, line 31	3,258.
9 Subtract line 8 from line 7. If line 8 is more than line 7, enter zero	0.
10 Total medical and dental expenses (add lines 1 and 9). Enter here and on line 33 ▶	150.

Taxes (See page 15 of Instructions.)

11 State and local income	8,960.
12 Real estate	3,505.
13 State and local gasoline (see gas tax tables)	72.
14 General sales (see sales tax tables)	750.
15 Personal property	
16 Other (itemize) ▶	
17 Total taxes (add lines 11 through 16). Enter here and on line 34 ▶	13,287.

Interest Expense (See page 16 of Instructions.)

18 a Home mortgage	1,729.
b Credit and charge cards	
19 Other (itemize) ▶ SEE SCHEDULE-11	3,172.
20 Total interest expense (add lines 18a through 19). Enter here and on line 35 ▶	4,901.

Contributions (See page 17 of Instructions.)

21 a Cash contributions for which you have receipts, cancelled checks or other written evidence	2,897.
b Other cash contributions (show who you gave to and how much you gave) ▶	
22 Other than cash (see page 17 of instructions for required statement)	
23 Carryover from prior years	
24 Total contributions (add lines 21a through 23). Enter here and on line 36 ▶	2,897.

Casualty or Theft Loss(es) (See page 17 of Instructions.)

25 Loss before insurance reimbursement	
26 Insurance reimbursement	
27 Subtract line 26 from line 25. If line 26 is more than line 25, enter zero	
28 Enter $100 or amount on line 27, whichever is smaller	
29 Total casualty or theft loss(es) (subtract line 28 from line 27). Enter here and on line 37 ▶	

Miscellaneous Deductions (See page 17 of Instructions.)

30 Union dues	
31 Other (itemize) ▶ POLIT. CONTRI.	200.
SEE SCHEDULE-12	24.
32 Total miscellaneous deductions (add lines 30 and 31). Enter here and on line 38 ▶	224.

Summary of Itemized Deductions (See page 18 of Instructions.) **A.**

33 Total medical and dental—from line 10	150.
34 Total taxes—from line 17	13,287.
35 Total interest—from line 20	4,901.
36 Total contributions—from line 24	2,897.
37 Total casualty or theft loss(es)—from line 29	
38 Total miscellaneous—from line 32	224.
39 Total deductions (add lines 33 through 38) ▶	21,459.
40 If you checked Form 1040, Filing Status box: 2 or 5, enter $3,200 1 or 4, enter $2,200 3, enter $1,600	3,200.
41 Subtract line 40 from line 39. Enter here and on Form 1040, line 33. (If line 40 is more than line 39, enter zero and see "You Must Itemize Deductions" on page 11 of the Instructions.) ▶	18,259.

115068-9074-10 0-399

SCHEDULE C
(Form 1040)
Department of the Treasury
Internal Revenue Service

Profit or (Loss) From Business or Profession

(Sole Proprietorship)
Partnerships, Joint Ventures, etc., Must File Form 1065.
▶ Attach to Form 1040. ▶ See Instructions for Schedule C (Form 1040).

1978 ☐

Name of proprietor: JOHM A ZACCARC

Social security number: 091 30 8934

A Main business activity (see Instructions) ▶ BROKER ; product ▶

B Business name ▶

C Employer identification number ▶

D Business address (number and street) ▶

City, State and ZIP code ▶

C

E Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶

F Method(s) used to value closing inventory:
(1) ☐ Cost (2) ☐ Lower of cost or market (3) ☐ Other (if other, attach explanation)

	Yes	No
G Was there any major change in determining quantities, costs, or valuations between opening and closing inventory?		X
If "Yes," attach explanation.	▨	▨
H Does this business activity involve oil or gas, movies or video tapes, or leasing personal (section 1245) property to others? (See page 25 of the Instructions.)		X
I Did you deduct expenses for an office in your home?		X

Part I Income

1 a Gross receipts or sales	1a			▨
b Returns and allowances	1b			▨
c Balance (subtract line 1b from line 1a)			1c	
2 Cost of goods sold and/or operations (Schedule C-1, line 8)			2	
3 Gross profit (subtract line 2 from line 1c)			3	
4 Other income (attach schedule)			4	
5 Total income (add lines 3 and 4) ▶			5	

Part II Deductions

6 Advertising		28 Telephone	
7 Amortization		29 Travel and entertainment	
8 Bad debts from sales or services		30 Utilities	
9 Bank charges		31 a Wages	▨
10 Car and truck expenses		b New Jobs Credit	
11 Commissions		c Subtract line 31b from 31a	
12 Depletion		32 Other expenses (specify):	
13 Depreciation (explain in Schedule C-2)		a	
14 Dues and publications		b	
15 Employee benefit programs		c	
16 Freight (not included on Schedule C-1)		d	
		e	
		f	
17 Insurance		g	
18 Interest on business indebtedness		h SEE FORM-21	
19 Laundry and cleaning		i	
20 Legal and professional services		j	
21 Office supplies		k	
22 Pension and profit-sharing plans		l	
23 Postage		m	
24 Rent on business property		n	
25 Repairs		o	
26 Supplies (not included on Schedule C-1)		p	
		q	
27 Taxes		r	

33 Total deductions (add amounts in columns for lines 6 through 32r) ▶	33	
34 Net profit or (loss) (subtract line 33 from line 5). Enter here and on Form 1040, line 13 ALSO enter on Schedule SE (Form 1040), line 5a (For "at risk" provisions, see page 25 of Instructions.) ▶	34	31,310.

FORM 21- SCHEDULE C PROFIT OR LOSS M BUSINESS OR PROFESSION - 19..

SHEETS MUST BE SUBMITTED WHEN INFORMATION OTHER THAN HEADING & NET PROFIT OR LOSS IS REQUIRED TO COMPLETE NYS & NYC UBTS, MICH. SBTS & PHILA. GST-340

P

OMIT CENTS

TAXPAYER'S NAME: JOHN A & GERALDINE ZACCARO

ACCOUNT NO.	TAXPAYER'S S.S. NO. (16	(17)	(18)
115068	061308534	2	1

(20-21) 51	(22) MAIN BUSINESS ACTIVITY (61) BROKER	(62) PRODUCT (68)	ENTER DIGIT 1 TO INDICATE SPOUSE'S SCHEDULE C 11
52	(22) TAXPAYER'S BUSINESS NAME	(68)	(69) EMPLOYER I.D. NO. (77)
53	(22) BUSINESS ADDRESS (61)	(62) CITY (68)	(69) STATE (72 (73) ZIP (77)
54	PHILA. CITY ACCOUNT NUMBER	(22) (23) (29) (30) (31) (32)	

METHOD OF ACCOUNTING CASH METHOD WILL AUTOMATICALLY BE INDICATED, ENTER DIGIT 1 IF DIFFERENT				ACCRUAL	12		OTHER	13	
METHOD OF INVENTORY VALUATION (ENTER DIGIT 1)	COST	17		LOWER OF COST OR MARKET	18	OTHER EXPLAIN 19	WAS THERE ANY CHANGE IN DETERMINING INVENTORY?	20	
IS TAXPAYER CLAIMING EXPENSES FOR OFFICE IN HOME?	YES	21		DOES BUSINESS ACTIVITY INVOLVE OIL OR GAS, VIDEO TAPES, ETC.?			YES	22	
ENTER DIGIT 1 (100%) OR ENTER 2 DIGIT % OF NET PROFIT (LOSS) TO BE TRANSFERRED TO:	N.Y. STATE U.B.T. % OR DIGIT 1 FOR PHILA. GST, OR MICH. SBT	25		N.Y.S. & N.J. NONRES. %	27				
	N.Y. CITY U.B.T. % OR DIGIT 1 FOR PHILA. FORM 340	26		N.Y. & MICH. CITY NON. RES. %	28				

	EXPLANATION OF LINES 27 & 32 SCHEDULE C-1 LINE 5	
27	PAYROLL TAXES	
27	TAXES	
27		
27		
32	STATIONERY AND PRINTING	
32	OFFICE IN HOME	
32	OTHER EXPENSES	
32	MISC EXPENSES,	1250
32		
32		
32		
5	C-1 OTHER COSTS	
5		
5		

SCHEDULE C-3 – EXPENSE ACCOUNT INFORMATION

NAME	EXPENSE ACCOUNT	SALARIES & WAGES
OWNER		

X IF EXPENSES WERE CLAIMED IN CONNECTION WITH:

ENTERTAINMENT FACILITY		EMPLOYEES' FAMILIES AT CONVENTIONS OR MEETINGS	
LIVING ACCOMMODATIONS		EMPLOYEE OR FAMILY VACATIONS NOT REPORTED ON FORM W-2	

SCHEDULE C-1 – COST OF GOODS SOLD AND/OR OPERATIONS

1	BEGINNING INVENTORY			1	
2	PURCHASES	2a			
	LESS: COST OF PERSONAL ITEMS	2b	( )	2c	
3	COST OF LABOR (EXCLUDE TAXPAYER)			3	
4	MATERIALS AND SUPPLIES			4	
5	OTHER COSTS - SEE SCHEDULE			5	
6	TOTAL LINES 1 THRU 5			6	
7	ENDING INVENTORY			7	( )
8	COST OF GOODS SOLD ▶			8	

PART 1 INCOME

1C	NET RECEIPTS OR SALES		1C	
2	COST OF GOODS SOLD AND/OR OPERATIONS (SCH. C-1)		2	
3	GROSS PROFIT		3	
4	OTHER INCOME – ATTACH SCHEDULE Comm		4	32560
5	TOTAL INCOME ▶		5	32560

PART 2 DEDUCTIONS

6	ADVERTISING		6	
7	AMORTIZATION		7	
8	BAD DEBTS FROM SALES OR SERVICES		8	
9	BANK CHARGES		9	
10	CAR AND TRUCK EXPENSES		10	
11	COMMISSIONS		11	
12	DEPLETION		12	
13	DEPRECIATION – SCHEDULE BELOW		13	
14	DUES AND PUBLICATIONS		14	
15	EMPLOYEE BENEFIT PROGRAMS		15	
16	FREIGHT		16	
17	INSURANCE		17	
18	INTEREST ON BUSINESS INDEBTEDNESS		18	
19	LAUNDRY AND CLEANING		19	
20	LEGAL AND PROFESSIONAL SERVICES		20	
21	OFFICE SUPPLIES		21	
22	PENSION AND PROFIT-SHARING PLANS		22	
23	POSTAGE		23	
24	RENT ON BUSINESS PROPERTY		24	
25	REPAIRS		25	
26	SUPPLIES		26	
27	TAXES		27	
28	TELEPHONE		28	
29	TRAVEL AND ENTERTAINMENT		29	
30	UTILITIES		30	
31a	WAGES	31a		
31b	NEW JOBS CREDIT	31b		
32	OTHER BUSINESS EXPENSES – SEE SCHEDULE		32	1250
33	TOTAL DEDUCTIONS ▶		33	1250
34	NET PROFIT OR (LOSS) ▶		60	31310

DEPRECIATION SCHEDULE

DESCRIPTION OF PROPERTY	DATE ACQUIRED MO. DY. YR.	COST OR OTHER BASIS	SALVAGE VALUE	ACCUMULATED DEPRECIATION PRIOR YEARS	METHOD	LIFE OR RATE YRS.	%	DEPRECIATION FOR THIS YEAR
TOTAL								

FORM 21 COPYRIGHT 1978 PROGRAMMED TAX SYSTEMS INC.

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SCHEDULE D
(Form 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040.)

197

Name(s) as shown on Form 1040: JOHN A AND GERALDINE ZACCARO

Your social security numbe: 061 10 [illegible]

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less

a. Kind of property and description (Example, 100 shares of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 19)	f. Gain or (loss) from all sales during entire tax year (d less e)	g. Enter gain or (loss) from sales after 10/31/78
1						
	SEE ATTACHED				1,311.-	

		f	g
2 Enter your share of net short-term gain or (loss) from partnerships and fiduciaries	2		
3 Enter net gain or (loss), combine lines 1 and 2	3	1,311.-	
4 Short-term capital loss carryover attributable to years beginning after 1969 (see instructions page 19)	4	( )	▨
5 Net short-term gain or (loss), combine lines 3 and 4, column (f)	5	1,311.-	▨

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year

6						
	SEE ATTACHED				85,310.	

		f	g
7 Capital gain distributions	7		
8 Enter gain, if applicable, from Form 4797, line 6(a)(1) (see instructions page 19)	8		
9 Enter your share of net long-term gain or (loss) from partnerships and fiduciaries	9		
10 Enter your share of net long-term gain from small business corporations (Subchapter S)	10		
11 Net gain or (loss), combine lines 6 through 10	11	85,310.	
12 Long-term capital loss carryover attributable to years beginning after 1969 (see instructions page 19)	12	( )	▨
13 Net long-term gain or (loss), combine lines 11 and 12, column (f)	13	85,310.	▨

NOTE: *If you have capital loss carryovers from years beginning before 1970, do not complete Parts III, IV, or VI. See Form 4798 inste*

Part III Computation of Capital Gain Deduction
(Complete this part only if line 14 shows a gain)

14 Combine lines 5 and 13, column (f), and enter here. If result is zero or a loss, do not complete the rest of this part. Instead skip to Part IV, line 24 on page 2	14	83,999.
15 Enter line 13, column (f) or line 14, whichever is smaller. If zero or a loss, enter zero and skip to line 23	15	83,999.
16 If line 11, column (g) is a gain, combine lines 3 and 11, column (g), and enter here. If this line or line 11, column (g) shows a loss or zero, enter a zero and skip to line 20	16	0.
17 Enter line 11, column (g) or line 16, whichever is smaller	17	
18 Enter line 15 or line 17, whichever is smaller	18	
19 Enter 60% of amount on line 18	19	
20 Subtract line 18 from line 15	20	83,999.
21 Enter 50% of amount on line 20	21	42,000.
22 Add line 19 and line 21. This is your capital gain deduction	22	42,000.
23 Subtract line 22 from line 14. Enter this amount on Form 1040, line 14	23	41,999.

TRIPLICATE

CHEDULE D
Form 1040)
epartment of the Treasury—
ternal Revenue Service

Capital Gains and Losses

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040.)

1978

ame(s) as shown on Form 1040: JOHN A & GERALDINE ZACCARO

Your social security number: 061 30 8534.

D

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less

a. Kind of property and description (Example, 100 shares of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 19)	f. Gain or (loss) for entire tax year (d less e)	g. Enter gain or (loss) from sales after 10/31/78
1						
½ HALF INTEREST— [illegible]						
231-35 CENTRE ST	5-1-78	10-5-78	96500	90311	6189	(W)
ATTORNEY – 910 GRAND ST	1977	10-5-78	30000	35000	(5000)	(W)
[illegible] HESTER ST. MGR		5-9-78		2500	(2500)	(H)
D 1ST GRAND Co						

2 Enter your share of net short-term gain or (loss) from partnerships and fiduciaries	2		
3 Enter net gain or (loss), combine lines 1 and 2	3	(1311)	
4 Short-term capital loss carryover attributable to years beginning after 1969 (see instructions page 19)	4	( )	
5 Net short-term gain or (loss), combine lines 3 and 4, column (f)	5	(1311)	

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year

6						(W)
[illegible] REALTY (FINAL LIQUIDATION)					58646	
16 E 9th ST	[illegible]-74	8-[illegible]-78	65009	38345	26664	(H)

7 Capital gain distributions	7		
8 Enter gain, if applicable, from Form 4797, line 6(a)(1) (see instructions page 19)	8		
9 Enter your share of net long-term gain or (loss) from partnerships and fiduciaries	9		
10 Enter your share of net long-term gain from small business corporations (Subchapter S)	10		
11 Net gain or (loss), combine lines 6 through 10	11	85310	
12 Long-term capital loss carryover attributable to years beginning after 1969 (see instructions page 19)	12	( )	
13 Net long-term gain or (loss), combine lines 11 and 12, column (f)	13	85310	

NOTE: *If you have capital loss carryovers from years beginning before 1970, do not complete Parts III, IV, or VI. See Form 4798 instead.*

Part III Computation of Capital Gain Deduction
(Complete this part only if line 14 shows a gain)

14 Combine lines 5 and 13, column (f), and enter here. If result is zero or a loss, do not complete the rest of this part. Instead skip to Part IV, line 24 on page 2	14	83999
15 Enter line 13, column (f) or line 14, whichever is smaller. If zero or a loss, enter zero and skip to line 23	15	83999
16 If line 11, column (g) is a gain, combine lines 3 and 11, column (g), and enter here. If this line or line 11, column (g) shows a loss or zero, enter a zero and skip to line 20	16	0
17 Enter line 11, column (g) or line 16, whichever is smaller	17	0
18 Enter line 15 or line 17, whichever is smaller	18	0
19 Enter 60% of amount on line 18	19	0
20 Subtract line 18 from line 15	20	83999
21 Enter 50% of amount on line 20	21	42000
22 Add line 19 and line 21. This is your capital gain deduction	22	42000
23 Subtract line 22 from line 14. Enter this amount on Form 1040, line 14	23	41999

112: ...

SCHEDULE E
(Form 1040)
Department of the Treasury
Internal Revenue Service

Supplemental Income Schedule

(From pensions and annuities, rents and royalties, partnerships, estates and trusts, etc.)
▶ Attach to Form 1040. ▶ See Instructions for Schedule E (Form 1040).

1978

Name(s) as shown on Form 1040: JOHN A AND GERALDINE ZACCARO

Your social security number: 061 30 4536

Part I Pension and Annuity Income. If fully taxable, do not complete this part. Enter amount on Form 1040, line 17. For one pension or annuity not fully taxable, complete this part. If you have more than one pension or annuity that is not fully taxable, attach a separate sheet listing each one with the appropriate data and enter combined total of taxable portions on line 5.

1 Name of payer ▶

2 Did your employer contribute part of the cost? ☐ Yes ☐ No

If "Yes," is your contribution recoverable within 3 years of the annuity starting date? ☐ Yes ☐ No

If "Yes," show: Your contribution ▶ $ ______ Contribution recovered in prior years ▶ 2

3 Amount received this year . . . 3

4 Amount excludable this year . . . 4

5 Taxable portion (subtract line 4 from line 3) . . . 5

Part II Rent and Royalty Income. If you need more space, use Form 4831.

Have you claimed expenses connected with your vacation home (or other dwelling unit) rented to others (see instructions)? ☐ Yes ☒ No

If "Yes," did you or a member of your family occupy the vacation home (or other dwelling unit) for more than 14 days during the taxable year? ☐ Yes ☐ No

(a) Kind and location of property. If residential, also write "R"	(b) Total amount of rents	(c) Total amount of royalties	(d) Depreciation (explain below) or depletion (attach computation)	(e) Other expenses (Repairs, etc.—explain below)
SEE FORM 81				
6 Totals				

7 Net income or (loss) from rents and royalties (column (b) plus column (c) less columns (d) and (e)) . . . 7 1,020-

8 Net rental income or (loss) (from Form 4831) . . . 8

9 Net farm rental profit or (loss) (from Form 4835) . . . 9

10 Total rent and royalty income or (loss) (add lines 7, 8, and 9) . . . 10 1,020-

Part III Income or Losses from—

	(a) Name	(b) Employer identification number	(c) Your share of gross farming or fishing income (see instructions)	(d) Loss	(e) Income
Partnerships					
	11 Add amounts in columns (d) and (e) . . . 11				
	12 Column (e), line 11, less column (d), line 11 . . . 12				
	13 Additional first-year depreciation . . . 13				
	14 Total partnership income or (loss). Combine lines 12 and 13 . . . 14				
Estates or Trusts					
	15 Add amounts in columns (d) and (e) . . . 15				
	16 Total estate or trust income or (loss). Column (e), line 15, less column (d), line 15 . . . 16				
Small Bus. Corp.			▨		
			▨		
	17 Add amounts in columns (d) and (e) . . . 17				
	18 Total small business corporation income or (loss). (Column (e), line 17, less column (d), line 17 . . . 18				

19 TOTAL (add lines 5, 10, 14, 16, and 18). Enter here and on Form 1040, line 18 . . . ▶ 19 1,020-

Explanation of Column (e), Part II

Item	Amount	Item	Amount

Schedule for Depreciation Claimed in Part II above. If you need more space use Form 4562.

(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in prior years	(e) Method of computing depreciation	(f) Life or rate	(g) Depreciation for this year
1 Total additional first-year depreciation (do not include in items below) →						
2 Totals						

TRIPLICATE

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SCHEDULE G
(Form 1040)
Department of the Treasury
Internal Revenue Service

Income Averaging

▶ See instructions on pages 3 and 4.
▶ Attach to Form 1040.

1978 ☐

Name(s) as shown on Form 1040: JOHN A AND GERALDINE ZACCARO

Your social security number: 061 | 30 | 8534

Base Period Income and Adjustments	(a) 1st preceding base period year 1977	(b) 2d preceding base period year 1976	(c) 3rd preceding base period year 1975	(d) 4th preceding base period year 1974
1 Enter amount from: Form 1040 (1977)—line 34 Form 1040A (1977)—line 10	42,548.	▨	▨	▨
2 Multiply $750 by the total number of exemptions claimed in 1977	4,500.	▨	▨	▨
3 Taxable income (subtract line 2 from line 1). If less than zero, enter zero (see instructions)	38,048.	25,215.	21,508.	11,060.
4 Income earned outside of the United States or within U.S. possessions and excluded under sections 911 and 931				
5 If you checked, on your 1978 Form 1040, box {2 or 5 enter $3,200 / 1 or 4 enter $2,200 / 3 enter $1,600} {in columns (b), (c) and (d)}	▨	3,200.	3,200.	3,200.
6 Base period income (add lines 3, 4 and 5)	38,048.	28,415.	24,708.	14,260.

Computation of Averageable Income

7 Taxable income for 1978 from Schedule TC (Form 1040), Part I, line 3	7	86,581.		
8 Certain amounts received by owner-employees subject to a penalty under section 72(m)(5)	8			
9 Subtract line 8 from line 7	9	86,581.		
10 Excess community income	10			
11 Adjusted taxable income (subtract line 10 from line 9). If less than zero, enter zero			11	86,581.
12 Add columns (a) through (d), line 6, and enter here	12	125,431.		
13 Enter 30% of line 12			13	37,629.
14 Averageable income (subtract line 13 from line 11)			14	48,952.

Do not complete rest of form if line 14 is $3,000 or less. You do not qualify for income averaging.

G

Computation of Tax

15 Amount from line 13			15	37,629.
16 20% of line 14			16	9,790.
17 Total (add lines 15 and 16)			17	47,419.
18 Excess community income from line 10			18	
19 Total (add lines 17 and 18)			19	47,419.
20 Tax on amount on line 19*			20	14,170.
21 Tax on amount on line 17*	21	14,170.		
22 Tax on amount on line 15*	22	9,680.		
23 Subtract line 22 from line 21	23	4,490.		
24 Multiply the amount on line 23 by 4			24	17,960.
Note: *If no entry was made on line 8 above, skip lines 25 through 27 and go to line 28.*				
25 Tax on amount on line 7*	25			
26 Tax on amount on line 9*	26			
27 Subtract line 26 from line 25			27	
28 Tax (add lines 20, 24, and 27). Enter here and on Schedule TC (Form 1040), Part I, line 4 and check Schedule G box. Then go to Schedule TC (Form 1040), Part I, line 5			28	32,130.

*Caution: Use Tax Rate Schedule X, Y or Z from the Form 1040 instructions to figure your tax on lines 20, 21, 22, 25 and 26. Do not use tax tables.

Page 2 of Schedule G — DOES APPLY ☐ DOES NOT APPLY ☐

TRIPLICATE

[illegible]

SCHEDULE SE
(Form 1040)
Department of the Treasury
Internal Revenue Service

Computation of Social Security Self-Employment Tax

▶ Each self-employed person must file a Schedule SE. ▶ Attach to Form 1040.
▶ See Instructions for Schedule SE (Form 1040).

1978

- ● If you had wages, including tips, of $17,700 or more that were subject to social security or railroad retirement taxes, do not fill in this schedule (unless you are eligible for the Earned Income Credit). See instructions. ☐
- ● If you had more than one business, combine profits and losses from all your businesses and farms on this Schedule SE.

Important.—The self-employment income reported below will be credited to your social security record and used in figuring social security benefits.

NAME OF SELF-EMPLOYED PERSON (AS SHOWN ON SOCIAL SECURITY CARD): JOHN A ZACCARO

Social security number of self-employed person ▶ 061 30 9534

- ● If you have only farm income complete Parts I and III. ● If you have only nonfarm income complete Parts II and III.
- ● If you have both farm and nonfarm income complete Parts I, II, and III.

Part I Computation of Net Earnings from FARM Self-Employment

You may elect to compute your net farm earnings using the OPTIONAL METHOD, line 3, instead of using the Regular Method, line 2, if your gross profits are: (1) $2,400 or less, or (2) more than $2,400 and net profits are less than $1,600. However, lines 1 and 2 must be completed even if you elect to use the FARM OPTIONAL METHOD.

REGULAR METHOD		
1 Net profit or (loss) from: a Schedule F, line 58 (cash method), or line 78 (accrual method)	1a	
b Farm partnerships	1b	
2 Net earnings from farm self-employment (add lines 1a and b)	2	
FARM OPTIONAL METHOD		
3 If gross profits from farming¹ are: a Not more than $2,400, enter two-thirds of the gross profits b More than $2,400 and the net farm profit is less than $1,600, Enter $1,600	3	
4 Enter here and on line 12a, the amount on line 2, or line 3 if you elect the farm optional method	4	

¹ Gross profits from farming are the total gross profits from Schedule F, line 32 (cash method), or line 74 (accrual method), plus the distributive share of gross profits from farm partnerships (Schedule K-1 (Form 1065), line 3) as explained in instructions for Schedule SE.

Part II Computation of Net Earnings from NONFARM Self-Employment

REGULAR METHOD		
5 Net profit or (loss) from: a Schedule C, line 34. (Enter combined amount if more than one business.)	5a	31,310.
b Partnerships, joint ventures, etc. (other than farming)	5b	
c Service as a minister, member of a religious order, or a Christian Science practitioner. (Include rental value of parsonage or rental allowance furnished.) If you filed Form 4361 and have not revoked that exemption, check here ☐ and enter zero on this line	5c	
d Service with a foreign government or international organization	5d	
e Other—Specify ▶	5e	
6 Total (add lines 5a through e)	6	31,310.
7 Enter adjustments if any (attach statement, see page 27 of instructions)	7	
8 Adjusted net earnings or (loss) from nonfarm self-employment (line 6, as adjusted by line 7)	8	31,310.

If line 8 is $1,600 or more OR if you do not elect to use the Nonfarm Optional Method, skip lines 9 through 11 and enter amount from line 8 on line 12b, Part III.

Note: *You may use the nonfarm optional method (line 9 through line 11) only if line 8 is less than $1,600 and less than two-thirds of your gross nonfarm profits,² and you had actual net earnings from self-employment of $400 or more for at least 2 of the 3 following years: 1975, 1976, and 1977. The nonfarm optional method can only be used for 5 tax years*

SE

NONFARM OPTIONAL METHOD		
9 a Maximum amount reportable, under both optional methods combined (farm and nonfarm)	9a	$1,600 00
b Enter amount from line 3. (If you did not elect to use the farm optional method, enter zero)	9b	
c Balance (subtract line 9b from line 9a)	9c	
10 Enter two-thirds of gross nonfarm profits² or $1,600, whichever is smaller	10	
11 Enter here and on line 12b, the amount on line 9c or line 10, whichever is smaller	11	

² Gross profits from nonfarm business are the total of the gross profits from Schedule C, line 3, plus the distributive share of gross profits from nonfarm partnerships (Schedule K-1 (Form 1065), line 15(a) as explained in instructions for Schedule SE. Also, include gross profits from services reported on line 5c, d, and e, as adjusted by line 7.

Part III Computation of Social Security Self-Employment Tax

12 Net earnings or (loss): a From farming (from line 4)	12a	
b From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method)	12b	31,310.
13 Total net earnings or (loss) from employment reported on lines 12a and 12b. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of schedule.)	13	31,310.
14 The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement taxes for 1978 is	14	$17,700 00
15 a Total "FICA" wages (from Forms W-2) and "RRTA" compensation — 21,108.		
b Unreported tips subject to FICA tax from Form 4137, line 9 or to RRTA — 15b		
c Add lines 15a and b	15c	21,108.
16 Balance (subtract line 15c from line 14)	16	0.
17 Self-employment income—line 13 or 16, whichever is smaller	17	0.
18 Self-employment tax. (If line 17 is $17,700, enter $1,433.70; if less, multiply the amount on line 17 by .081.) Enter here and on Form 1040, line 48	18	0.

TRIPLICATE

115068-4074-10 001

SCHEDULE SE
(Form 1040)
Department of the Treasury
Internal Revenue Service

Computation of Social Security Self-Employment Tax

▶ Each self-employed person must file a Schedule SE. ▶ Attach to Form 1040.
▶ See Instructions for Schedule SE (Form 1040).

1978

- ● If you had wages, including tips, of $17,700 or more that were subject to social security or railroad retirement taxes, do not fill in this schedule (unless you are eligible for the Earned Income Credit). See Instructions. ☐
- ● If you had more than one business, combine profits and losses from all your businesses and farms on this Schedule SE.

Important.—The self-employment income reported below will be credited to your social security record and used in figuring social security benefits.

NAME OF SELF-EMPLOYED PERSON (AS SHOWN ON SOCIAL SECURITY CARD)	Social security number of self-employed person ▶	
GERALDINE ZACCARO		100 28 16[illegible]

- ● If you have only farm income complete Parts I and III. ● If you have only nonfarm income complete Parts II and III.
- ● If you have both farm and nonfarm income complete Parts I, II, and III.

Part I Computation of Net Earnings from FARM Self-Employment

You may elect to compute your net farm earnings using the OPTIONAL METHOD, line 3, instead of using the Regular Method, line 2, if your gross profits are: (1) $2,400 or less, or (2) more than $2,400 and net profits are less than $1,600. However, lines 1 and 2 must be completed even if you elect to use the FARM OPTIONAL METHOD.

REGULAR METHOD 1 Net profit or (loss) from: a Schedule F, line 58 (cash method), or line 76 (accrual method)	1a	
b Farm partnerships	1b	
2 Net earnings from farm self-employment (add lines 1a and b)	2	
FARM OPTIONAL METHOD 3 If gross profits from farming¹ are: a Not more than $2,400, enter two-thirds of the gross profits b More than $2,400 and the net farm profit is less than $1,600, Enter $1,600	3	
¹ Gross profits from farming are the total gross profits from Schedule F, line 32 (cash method), or line 74 (accrual method), plus the distributive share of gross profits from farm partnerships (Schedule K-1 (Form 1065), line 3) as explained in instructions for Schedule SE.		
4 Enter here and on line 12a, the amount on line 2, or line 3 if you elect the farm optional method	4	

Part II Computation of Net Earnings from NONFARM Self-Employment

REGULAR METHOD 5 Net profit or (loss) from: a Schedule C, line 34. (Enter combined amount if more than one business.)	5a	
b Partnerships, joint ventures, etc. (other than farming)	5b	
c Service as a minister, member of a religious order, or a Christian Science practitioner. (Include rental value of parsonage or rental allowance furnished.) If you filed Form 4361 and have not revoked that exemption, check here ☐ and enter zero on this line	5c	
d Service with a foreign government or international organization	5d	
e Other—Specify ▶ SEE SCHEDULE-4	5e	4,400.
6 Total (add lines 5a through e)	6	4,400.
7 Enter adjustments if any (attach statement, see page 27 of instructions)	7	
8 Adjusted net earnings or (loss) from nonfarm self-employment (line 6, as adjusted by line 7)	8	4,400.

If line 8 is $1,600 or more OR if you do not elect to use the Nonfarm Optional Method, skip lines 9 through 11 and enter amount from line 8 on line 12b, Part III.

Note: You may use the nonfarm optional method (line 9 through line 11) only if line 8 is less than $1,600 and less than two-thirds of your gross nonfarm profits,² and you had actual net earnings from self-employment of $400 or more for at least 2 of the 3 following years: 1975, 1976, and 1977. The nonfarm optional method can only be used for 5 tax years

SE

NONFARM OPTIONAL METHOD 9 a Maximum amount reportable, under both optional methods combined (farm and nonfarm)	9a	$1,600 00
b Enter amount from line 3. (If you did not elect to use the farm optional method, enter zero)	9b	
c Balance (subtract line 9b from line 9a)	9c	
10 Enter two-thirds of gross nonfarm profits² or $1,600, whichever is smaller	10	
11 Enter here and on line 12b, the amount on line 9c or line 10, whichever is smaller	11	

² Gross profits from nonfarm business are the total of the gross profits from Schedule C, line 3, plus the distributive share of gross profits from nonfarm partnerships (Schedule K-1 (Form 1065), line 15(a) as explained in instructions for Schedule SE. Also, include gross profits from services reported on line 5c, d, and e, as adjusted by line 7.

Part III Computation of Social Security Self-Employment Tax

12 Net earnings or (loss): a From farming (from line 4)		12a	
b From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method)		12b	4,400.
13 Total net earnings or (loss) from employment reported on lines 12a and 12b. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of schedule.)		13	4,400.
14 The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement taxes for 1978 is		14	$17,700 00
15 a Total "FICA" wages (from Forms W-2) and "RRTA" compensation	6,904.		
b Unreported tips subject to FICA tax from Form 4137, line 9 or to RRTA	15b		
c Add lines 15a and b		15c	6,904.
16 Balance (subtract line 15c from line 14)		16	10,796.
17 Self-employment income—line 13 or 16, whichever is smaller		17	4,400.
18 Self-employment tax. (If line 17 is $17,700, enter $1,433.70; if less, multiply the amount on line 17 by .081.) Enter here and on Form 1040, line 48		18	356.

TRIPLICATE

NATIONAL FORM NO. 7707

#115068

[illegible] Garcia

1975

Initials Date
Prepared By
Approved By

(1)	(3)	(4)	(5)	(6)	(7)
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rent income	19101	7119	2002	8334	
Expenses					
Management	313	313		203	
[illegible]	1460	1350	791	220 199	
[illegible]	10775	4199	620	6102	(346)
[illegible]	460	140		240	
[illegible]	14	14			
[illegible]	272	148		125	
[illegible]	13	29	5	39	
[illegible]	230	140	13	150	(73)
[illegible]	1405	21	672	675	
[illegible]	17	18			
Insurance	1495	1613	161	27	
[illegible]	37		43	233	(194)
[illegible]	1173			1106	(233)
[illegible]	42			42	
[illegible]	77			127	
	19836	8052	2030	10300	(846)
Net	275)	(275)	1015	(1966)	846
[illegible]	645		270	375	
	(1020)	(273)	748	(2341)	846

[illegible]		Cu.	Thru [illegible]		
353 [illegible]	1473.	5400	1750	.70	270
16592 [illegible]	[illegible]	1500	1010	[illegible]	375

EXHIBIT NO. 21

Form **1040X** (Rev. October 1983)

Department of the Treasury—Internal Revenue Service

Amended U.S. Individual Income Tax Return

OMB No. 1545-0091

This return is for calendar year ▶ 19 78 , OR fiscal year ended ▶ , 19

Your first name and initial (if joint return, also give spouse's name and initial) / Last name: John A. and Geraldine Zaccaro

Your social security number: 061 : 30 : 8534

Present home address (Number and street, including apartment number, or rural route): 22 Deepdene Road

Spouse's social security number: 100 : 28 : 1600

City, town or post office, State, and ZIP code: Forest Hills, New York 11375

Telephone no. (optional): ( )

Enter below name and address as shown on original return (If same as above, write "Same"). If changing from separate to joint return, enter names and addresses used on original returns. (Note: You cannot change from joint to separate returns after the due date has passed.)

Same

a. Service center where original return was filed: Holtsville, NY

b. Has original return for the year being changed been audited? . . . ☐ Yes ☒ No

If "No," have you been notified that it will be? . . . . ☐ Yes ☒ No

If "Yes," identify IRS office

c. Filing status claimed. (Note: You cannot change from joint to separate returns after the due date has passed.)

On original return . ▶ ☐ Single ☒ Married filing joint return ☐ Married filing separate return ☐ Head of Household ☐ Qualifying Widow(er)

On this return . . ▶ ☐ Single ☒ Married filing joint return ☐ Married filing separate return ☐ Head of Household ☐ Qualifying Widow(er)

Income and Deductions	A. As originally reported or as adjusted (See instructions)	B. Net change—increase or (Decrease)—explain on page 2	C. Correct amount
1 Total income (see instructions)	110,090	62,641	172,731
2 Adjustments to income (see instructions)	1,500		1,500
3 Adjusted gross income (subtract line 2 from line 1)	108,590	62,641	171,231
4 Deductions (see instructions)	18,259	436	18,695
5 Subtract line 4 from line 3	90,331	62,205	152,536
Note: If this return is for 1980, and you use the tax tables, do not complete lines 6 and 7. Instead, enter on line 8 the tax on the income you reported on line 5.			
6 Exemptions from page 2, line 5	3,750		3,750
7 Taxable income (subtract line 6 from line 5)	86,581	62,205	148,786
Tax Liability			
8 Tax (see instructions) (method used in column C Schedule G.)	31,950	31,800	63,750
9 Credits (such as residential energy credit, credit for the elderly—see instructions)			
10 Subtract line 9 from line 8	31,950	31,800	63,750
11 Other taxes (such as self-employment tax, alternative minimum tax)	4,260	(2,091)	2,169
12 Total tax liability (add line 10 and line 11)	36,210	29,709	65,919
Payments			
13 Federal income tax withheld and excess FICA and RRTA tax withheld	3,345		3,345
14 Estimated tax payments	11,000		11,000
15 Earned income credit			
16 Credits for Federal tax on special fuels, regulated investment company, etc.			
17 Amount paid with Form 2688 or Form 4868 (application for extension of time to file)			
18 Amount paid with original return, plus additional tax paid after it was filed			21,865
19 Total of lines 13 through 18, column C			36,210
Refund or Amount You Owe			
20 Overpayment, if any, as shown on original return (or as previously adjusted by IRS)			—
21 Subtract line 20 from line 19 (see instructions) *Includes interest of $23,750 through 8/20/84			36,210
22 **AMOUNT YOU OWE.** If line 12, column C is more than line 21, enter difference. Please pay in full with this return			*53,459
23 **REFUND** to be received. If line 12, column C is less than line 21, enter difference			

Please Sign Here

Under penalties of perjury, I declare that I have filed an original return and that I have examined this amended return, including accompanying schedules and statements, and to the best of my knowledge and belief this amended return is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

▶ Your signature — Date 8/19/84 — ▶ Spouse's signature (if filing jointly, BOTH must sign)

Paid Preparer's Use Only

Preparer's signature ▶ Irwin Ettinger

Date: 8-19-84

Check if self-employed ☐

Preparer's social security no.: 050 30 1854

Firm's name (or yours, if self-employed) and address ▶ Arthur Young & Co., 277 Park Ave., New York, NY

E.I. No.: 13 : 5554208

ZIP code: 10172

For Paperwork Reduction Act Notice, see page 1 of separate instructions.

BE SURE TO COMPLETE PAGE 2

PART I.—Exemptions (See Form 1040 or Form 1040A Instructions)

Complete lines 1 through 5 in all cases. Complete lines 6 and 7 only if you claim more exemptions.

	A. Number originally reported	B. Net change	C. Corrected number
1 Exemptions-yourself and spouse, 65 or over, blind	2		2
2 Your dependent children who lived with you	3		3
3 Other dependents			
4 Total exemptions (add lines 1 through 3)	5		5
5 Multiply $1,000 by the total number of exemptions claimed on line 4. Enter this amount here and, if applicable, on page 1, line 6	3,750		3,750

6 Enter first names of your dependent children who lived with you, but were not claimed on original return:

Enter number ▶ ☐

7 Other dependents not claimed on original return:

(a) Name	(b) Relationship	(c) Number of months lived in your home	(d) Did dependent have income of $1,000 or more?	(e) Did you provide more than one-half of dependent's support?

Enter number ▶ ☐

PART II.—Explanation of Changes to Income, Deductions, and Credits

Enter the line reference from page 1 for which you are reporting a change and give the reason for each change. Attach applicable schedules.

If the change pertains to a net operating loss carryback, an investment credit carryback, a WIN credit carryback, a jobs credit carryback, or a research credit carryback . . . . Check here ▶ ☐

Line 1

Miscellaneous income was overstated by $260.
A combined short and long term net gain of $62,901 was not included in the original return. (see schedule D)

Line 4

The sales tax calculation using the sales tax table was redone based on the higher income.

Line 11

Minimum tax has decreased due to the increased income tax.

PART III.—Presidential Election Campaign Fund

Checking below will not increase your tax or reduce your refund.

If you did not previously want to have $1 go to the fund but now want to . . . . Check here ▶ ☐

If joint return and if spouse did not previously want to have $1 go to the fund but now wants to . . . . Check here ▶ ☐

☆U.S. GOVERNMENT PRINTING OFFICE: [illegible]

SCHEDULE TC
(Form 1040)
Department of the Treasury
Internal Revenue Service

Tax Computation Schedule

▶ Attach to Form 1040.

1978

Name(s) as shown on Form 1040: John A. and Geraldine Zaccaro

Your social security number: 061 | 30 | 8534

Part I. Computation of Tax for Taxpayers Who Cannot Use the Tax Tables

Use this part to figure your tax if:

- Your income on Form 1040, line 34, is more than $20,000 and you checked Filing Status Box 1, 3, or 4 on Form 1040.
- Your income on Form 1040, line 34, is more than $40,000 and you checked Filing Status Box 2 or 5 on Form 1040.
- You had more exemptions than were covered in the Tax Table for your filing status.
- You figure your tax using the alternative tax computation on Schedule D (Capital Gains and Losses), Schedule G (Income Averaging), or Form 4726 (Maximum Tax on Personal Service Income).

1 Enter the amount from Form 1040, line 34			1	152,536
2 Multiply $750 by the total number of exemptions claimed on Form 1040, line 7			2	3,750
3 Taxable Income. Subtract line 2 from line 1. (Figure your tax on this amount by using the Tax Rate Schedules or one of the other methods listed on line 4.)			3	148,786
4 Income Tax. Enter tax and check if from: ☐ Tax Rate Schedule X, Y, or Z, ☐ Schedule D, ☒ Schedule G, or ☐ Form 4726			4	63,930
General Tax Credit				
5 Multiply $35 by the total number of exemptions claimed on Form 1040, line 7. *(If you are married filing a separate return, skip lines 6 through 9 and enter the amount from line 5 on line 10.)*	5	175		
6 Enter the amount from line 3, above	6			
7 Enter { $3,200 if you are married filing a joint return or a qualifying widow(er) $2,200 if you are single or an unmarried head of household }	7			
8 Subtract line 7 from line 6	8			
9 Enter 2% of line 8 (but do not enter more than $180)	9	180		
10 General tax credit. Enter the amount from line 5 or line 9, whichever is larger			10	180
11 Tax. Subtract line 10 from line 4. (If $0 or less, enter $0.) Enter this amount on Form 1040, line 35 ▶			11	63,750

TC

Part II. Computation for Certain Taxpayers Who Must Itemize Deductions

If you are included in one of the groups below, you MUST itemize. If you must itemize and the amount on Schedule A (Form 1040), line 40, is more than your itemized deductions on Schedule A, line 39, you must complete Part II before figuring your tax.

You MUST itemize your deductions if:

A. You can be claimed as a dependent on your parent's return and had interest, dividends, or other unearned income of $750 or more and less than $2,200 of earned income if single (less than $1,600 if married filing a separate return).

Note: *If your earned income is more than your itemized deductions on Schedule A, line 39, enter your earned income in Part II, line 3, of this schedule, unless you are married filing a separate return and your spouse itemizes deductions. Generally, your earned income is the total of any amounts on Form 1040, lines 8, 13, and 19. See page 11 of the Instructions for Form 1040 for more details.*

B. You are married filing a separate return and your spouse itemizes deductions. (There is an exception to this rule. You don't have to itemize if your spouse must itemize only because he or she is described in A and enters earned income instead of itemized deductions on Part II, line 3, of this schedule. If this is the case, don't complete Part II. Go back to Form 1040, line 33, and enter $0. Then go to Form 1040, line 34.)

C. You file Form 4563 to exclude income from sources in U.S. possessions. (Please see Form 4563, and Publication 570, Tax Guide for U.S. Citizens Employed in U.S. Possessions, for more details.)

D. You had dual status as a nonresident alien for part of 1978, and during the rest of the year you were either a resident alien or a U.S. citizen. However, you don't have to itemize if at the end of 1978, you were married to a U.S. resident or citizen and file a joint return reporting your combined worldwide income.

1 Enter the amount from Form 1040, line 31			1	
2 Enter the amount from Schedule A, line 40	2			
3 Enter the amount from Schedule A, line 39	3			
Caution: *If you can be claimed as a dependent on your parent's return, see the Note above. Be sure you check the box below line 33 of Form 1040.*				
4 Subtract line 3 from line 2			4	
5 Add lines 1 and 4. Enter here and on Form 1040, line 34. (Leave Form 1040, line 33 blank. Disregard the instruction to subtract line 33 from line 32. Follow the rest of the instructions for Form 1040, line 34.) ▶			5	

SCHEDULE D
(Form 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

(Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.)

▶ Attach to Form 1040. ▶ See Instructions for Schedule D (Form 1040.)

1978

Name(s) as shown on Form 1040: John A. and Geraldine Zaccaro

Your social security number: 061 30 8534

Part I Short-term Capital Gains and Losses—Assets Held One Year or Less **D**

a. Kind of property and description (Example, 100 shares of "Z" Co.)	b. Date acquired (Mo., day, yr.)	c. Date sold (Mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis, as adjusted (see instructions page 19)	f. Gain or (loss) from all sales during entire tax year (d less e)	g. Enter gain or (loss) from sales after 10/31/78
1 one half interest-						
231-35CenterStreet	5-1-78	10-5-78	158,750	90,311	68,439	
Mortgage-230Grand	1977	10-5-78	30,000	35,000	(5,000)	
option Hester St.		5-9-78		2,500	(2,500)	
NYC						

		f.	g.
2 Enter your share of net short-term gain or (loss) from partnerships and fiduciaries	2		
3 Enter net gain or (loss), combine lines 1 and 2	3	60,939	
4 Short-term capital loss carryover attributable to years beginning after 1969 (see instructions page 19)	4	( )	
5 Net short-term gain or (loss), combine lines 3 and 4, column (f)	5	60,939	

Part II Long-term Capital Gains and Losses—Assets Held More Than One Year

a.	b.	c.	d.	e.	f.	g.
6 JEB Realty (final liquidation)					61,259	
16 E. 92nd St.	12-28-74	8-21-78	65,009	38,345	26,664	

		f.	g.
7 Capital gain distributions	7		
8 Enter gain, if applicable, from Form 4797, line 6(a)(1) (see instructions page 19)	8		
9 Enter your share of net long-term gain or (loss) from partnerships and fiduciaries	9		
10 Enter your share of net long-term gain from small business corporations (Subchapter S)	10		
11 Net gain or (loss), combine lines 6 through 10	11	87,923	
12 Long-term capital loss carryover attributable to years beginning after 1969 (see instructions page 19)	12	( )	
13 Net long-term gain or (loss), combine lines 11 and 12, column (f)	13	87,923	

NOTE: If you have capital loss carryovers from years beginning before 1970, do not complete Parts III, IV, or VI. See Form 4798 instead.

Part III Computation of Capital Gain Deduction
(Complete this part only if line 14 shows a gain)

14 Combine lines 5 and 13, column (f), and enter here. If result is zero or a loss, do not complete the rest of this part. Instead skip to Part IV, line 24 on page 2	14	148,862
15 Enter line 13, column (f) or line 14, whichever is smaller. If zero or a loss, enter zero and skip to line 23	15	87,923
16 If line 11, column (g) is a gain, combine lines 3 and 11, column (g), and enter here. If this line or line 11, column (g) shows a loss or zero, enter a zero and skip to line 20	16	
17 Enter line 11, column (g) or line 16, whichever is smaller	17	
18 Enter line 15 or line 17, whichever is smaller	18	
19 Enter 60% of amount on line 18	19	
20 Subtract line 18 from line 15	20	87,923
21 Enter 50% of amount on line 20	21	43,961
22 Add line 19 and line 21. This is your capital gain deduction	22	43,962
23 Subtract line 22 from line 14. Enter this amount on Form 1040, line 14	23	104,900

SCHEDULE G
(Form 1040)
Department of the Treasury
Internal Revenue Service

Income Averaging

▶ See instructions on pages 3 and 4.
▶ Attach to Form 1040.

1978

Name(s) as shown on Form 1040: John A. and Geraldine Zaccaro

Your social security number: 061 30 8534

Base Period Income and Adjustments	(a) 1st preceding base period year 1977	(b) 2d preceding base period year 1976	(c) 3rd preceding base period year 1975	(d) 4th preceding base period year 1974
1 Enter amount from: Form 1040 (1977)—line 34 Form 1040A (1977)—line 10	42,548			
2 Multiply $750 by the total number of exemptions claimed in 1977	4,500			
3 Taxable income (subtract line 2 from line 1). If less than zero, enter zero (see instructions)	38,048	25,215	21,508	31,060
4 Income earned outside of the United States or within U.S. possessions and excluded under sections 911 and 931				
5 If you checked, on your 1978 Form 1040, box {2 or 5 enter $3,200; 1 or 4 enter $2,200; 3 enter $1,600} in columns (b), (c) and (d)		3,200	3,200	3,200
6 Base period income (add lines 3, 4 and 5)	38,048	28,415	24,708	34,260

Computation of Averageable Income				
7 Taxable income for 1978 from Schedule TC (Form 1040), Part I, line 3	7	148,786		
8 Certain amounts received by owner-employees subject to a penalty under section 72(m)(5)	8			
9 Subtract line 8 from line 7	9	148,786		
10 Excess community income	10			
11 Adjusted taxable income (subtract line 10 from line 9). If less than zero, enter zero			11	148,786
12 Add columns (a) through (d), line 6, and enter here	12	125,431		
13 Enter 30% of line 12			13	37,629
14 Averageable income (subtract line 13 from line 11)			14	111,157

Do not complete rest of form if line 14 is $3,000 or less. You do not qualify for income averaging.

G

Computation of Tax				
15 Amount from line 13			15	37,629
16 20% of line 14			16	22,231
17 Total (add lines 15 and 16)			17	59,860
18 Excess community income from line 10			18	
19 Total (add lines 17 and 18)			19	59,860
20 Tax on amount on line 19*			20	20,530
21 Tax on amount on line 17*	21	20,530		
22 Tax on amount on line 15*	22	9,680		
23 Subtract line 22 from line 21	23	10,850		
24 Multiply the amount on line 23 by 4			24	43,400
Note: *If no entry was made on line 8 above, skip lines 25 through 27 and go to line 28.*				
25 Tax on amount on line 7*	25			
26 Tax on amount on line 9*	26			
27 Subtract line 26 from line 25			27	
28 Tax (add lines 20, 24, and 27). Enter here and on Schedule TC (Form 1040), Part I, line 4 and check Schedule G box. Then go to Schedule TC (Form 1040), Part I, line 5			28	63,930

*Caution: Use Tax Rate Schedule X, Y or Z from the Form 1040 [illegible]

Form **4625**
Department of the Treasury
Internal Revenue Service

Computation of Minimum Tax—Individuals

▶ Attach to Form 1040
(Please see instructions on back)

1978

Name(s) as shown on Form 1040: John A. and Geraldine Zacarro

Your social security number: 061 | 30 | 8534

1 Tax Preference Items.

File this form if the total of tax preference items (line 2) is more than $10,000 ($5,000 if married filing separately) even though you owe no minimum tax, OR if you have any minimum tax liability deferred from a previous taxable year until this year. If this is a short-period return, see instructions for line 8. **Caution:** See Limitations on Amounts Treated as Tax Preference Items in Certain Cases in instructions.

(a) Adjusted itemized deductions		
(b) Accelerated depreciation on real property:		
(1) Low-income rental housing under section 167(k)		
(2) Other real property		
(c) Accelerated depreciation on personal property subject to a lease		
(d) Amortization of certified pollution control facilities		
(e) Amortization of railroad rolling stock		
(f) Amortization of on-the-job training facilities		
(g) Amortization of child care facilities		
(h) Reserves for losses on bad debts of financial institutions		
(i) Stock options		
(j) Depletion		
(k) Capital gains		43,962
(l) Intangible drilling costs		
2 Total tax preference items. Add lines 1(a) through 1(l)		43,962
3 Amount from Form 1040, line 47*	63,750	
4 Tax from recomputing prior-year investment credit		
5 Tax from recomputing prior-year Work Incentive (WIN) credit		
6 Tax on premature redemption of Individual Retirement Bond(s)		
7 Add lines 3 through 6	63,750	
8 Enter the larger of: (a) one-half of the amount on line 7, or (b) $10,000 ($5,000 if married filing separately)		31,875
9 Subtract line 8 from line 2 (If line 8 is more than line 2, enter zero)		12,087
10 Multiply amount on line 9 by 15% and enter here		1,813
11 Enter any 1978 net operating loss carryover to 1979 (attach statement showing computation)		
12 Multiply amount on line 11 by 15% and enter here		
13 Deferred minimum tax. Enter the smaller of amount on line 10 or line 12		
14 Minimum Tax. Subtract line 13 from line 10		1,813
15 Enter minimum tax deferred from previous year(s) until this year (attach statement showing computation)		
16 Total minimum tax. Add lines 14 and 15		1,813
17 Excess tax credits. See instructions for line 17 before completing this section. If Form 1040, line 47 is more than zero, this section will not apply; skip lines 17(a) through 18 and enter the amount from line 16 on line 19.		
(a) Credit for the elderly		
(b) Credit for political contributions		
(c) Credit for child care expenses		
(d) Residential energy credits		
18 Add lines 17(a) through 17(d)		
19 Subtract line 18 from line 16. Enter here and on Form 1040, line 49		1,813

*Do not include any tax imposed under sec. 402(e) (ordinary income portion of lump-sum distributions) or any partial tax under sec. 667 (accumulation distribution by trusts), or any penalty tax under sec. 72(m)(5).

263-158-1

Form **4625** (1978)

[illegible]
[illegible] 000399

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return **1978**

For Privacy Act Notice, see page 3 of Instructions | For the year January 1–December 31, 1978, or other tax year beginning , 1978, ending , 19

First name and initial (if joint return, also give spouse's name and initial): JOHN A AND GERALDINE
Last name: ZACCARO
Your social security number: [illegible]
Present home address (Number and street, including apartment number, or rural route): 22 DEEADENE RD
Spouse's social security no.: [illegible]
City, town or post office, State and ZIP code: FOREST HILLS NY 11375
Your occupation: BROKER
Spouse's occupation: LAWYER

Do you want $1 to go to the Presidential Election Campaign Fund? ☒ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☒ Yes ☐ No
Note: Checking Yes will not increase your tax or reduce your refund.

Filing Status

Check only one box.

1 ☐ Single
2 ☒ Married filing joint return (even if only one had income)
3 ☐ Married filing separate return. If spouse is also filing, give spouse's social security number in the space above and enter full name here ▶
4 ☐ Unmarried head of household. Enter qualifying name ▶ . See page 6 of Instructions.
5 ☐ Qualifying widow(er) with dependent child (Year spouse died ▶ 19). See page 6 of Instructions.

Exemptions

Always check the box labeled Yourself. Check other boxes if they apply.

6a ☒ Yourself ☐ 65 or over ☐ Blind
b ☒ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 6a and b ▶ 2

c First names of your dependent children who lived with you ▶ SEE SCHEDULE-1
Enter number of children listed ▶ [illegible]

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $750 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶
Add numbers entered in boxes above ▶ [illegible]

7 Total number of exemptions claimed

Income

Please attach Copy B of your Forms W-2 here.

If you do not have a W-2, see page 5 of Instructions.

Please attach check or money order here.

8	Wages, salaries, tips, and other employee compensation	8	[illegible]
9	Interest income (If over $400, attach Schedule B)	9	[illegible]
10a	Dividends (If over $400, attach Schedule B) ______ 10b Exclusion ______		
10c	Subtract line 10b from line 10a	10c	
11	State and local income tax refunds (does not apply unless refund is for year you itemized deductions)	11	
12	Alimony received	12	
13	Business income or (loss) (attach Schedule C)	13	[illegible]
14	Capital gain or (loss) (attach Schedule D)	14	[illegible],494.
15	Taxable part of capital gain distributions not reported on Schedule D (see page 9 of Instructions)	15	
16	Net gain or (loss) from Supplemental Schedule of Gains and Losses (attach Form 4797)	16	
17	Fully taxable pensions and annuities not reported on Schedule E	17	
18	Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc. (attach Schedule E)	18	[illegible]
19	Farm income or (loss) (attach Schedule F)	19	
20	Other income (state nature and source—see page 10 of Instructions) ▶ SEE SCHEDULE-4	20	5,708.
21	Total income. Add lines 8, 9, and 10c through 20 ▶	21	110,090.

COPY

Adjustments to Income

22	Moving expense (attach Form 3903)	22	
23	Employee business expenses (attach Form 2106)	23	
24	Payments to an IRA (see page 10 of Instructions)	24	1,500.
25	Payments to a Keogh (H.R. 10) retirement plan	25	
26	Interest penalty due to early withdrawal of savings	26	
27	Alimony paid (see page 10 of Instructions)	27	

28	Total adjustments. Add lines 22 through 27 ▶	28	1,500.

Adjusted Gross Income

29	Subtract line 28 from line 21	29	108,590.
30	Disability income exclusion (attach Form 2440)	30	
31	Adjusted gross income. Subtract line 30 from line 29. If this line is less than $8,000, see page 2 of Instructions. If you want IRS to figure your tax, see page 4 of Instructions ▶	31	108,590.

AP 4/79

Form 1040 (1978) Page 2

Tax Compu-tation	32 Amount from line 31			32	108 590
	33 If you do not itemize deductions, enter zero If you itemize, complete Schedule A (Form 1040) and enter the amount from Schedule A, line 41			33	18259
	Caution: If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see page 11 of the Instructions. Also see page 11 of the Instructions if: ● *You are married filing a separate return and your spouse itemizes deductions, OR* ● *You file Form 4563, OR* ● *You are a dual-status alien.*				
	34 Subtract line 33 from line 32. Use the amount on line 34 to find your tax from the Tax Tables, or to figure your tax on Schedule TC, Part I Use Schedule TC, Part I, and the Tax Rate Schedules ONLY if: ● *The amount on line 34 is more than $20,000 ($40,000 if you checked Filing Status Box 2 or 5), OR* ● *You have more exemptions than those covered in the Tax Table for your filing status, OR* ● *You use any of these forms to figure your tax: Schedule D, Schedule G, or Form 4726.* Otherwise, you MUST use the Tax Tables to find your tax.			34	90 331
	35 Tax. Enter tax here and check if from ☐ Tax Tables or ☑ Schedule TC			35	31 950
	36 Additional taxes. (See page 11 of Instructions.) Enter total and check if from ☐ Form 4970, ☐ Form 4972, ☐ Form 5544, ☐ Form 5405, or ☐ Section 72(m)(5) penalty tax			36	
	37 Total. Add lines 35 and 36 ▶			37	31950
Credits	38 Credit for contributions to candidates for public office	38			
	39 Credit for the elderly (*attach Schedules R&RP*)	39			
	40 Credit for child and dependent care expenses (*attach Form 2441*)	40			
	41 Investment credit (*attach Form 3468*)	41			
	42 Foreign tax credit (*attach Form 1116*)	42			
	43 Work Incentive (WIN) Credit (*attach Form 4874*)	43			
	44 New jobs credit (*attach Form 5884*)	44			
	45 Residential energy credits (*see page 12 of Instructions, attach Form 5695*)	45			
	46 Total credits. Add lines 38 through 45			46	
	47 Balance. Subtract line 46 from line 37 and enter difference (but not less than zero) ▶			47	31950
Other Taxes	48 Self-employment tax (attach Schedule SE)			48	356
	49 Minimum tax. Check here ▶ ☐ and attach Form 4625			49	3904
	50 Tax from recomputing prior-year investment credit (*attach Form 4255*)			50	
	51 Social security (FICA) tax on tip income not reported to employer (*attach Form 4137*)			51	
	52 Uncollected employee FICA and RRTA tax on tips (*from Form W-2*)			52	
	53 Tax on an IRA (*attach Form 5329*)			53	
	54 Total tax. Add lines 47 through 53 ▶			54	36210
Payments Attach Forms W-2, W-2G, and W-2P to front.	55 Total Federal income tax withheld	55	3345		
	56 1978 estimated tax payments and credit from 1977 return	56	11000		
	57 Earned income credit. If line 31 is under $8,000, see page 2 of Instructions. If eligible, enter child's name ▶	57			
	58 Amount paid with Form 4868	58			
	59 Excess FICA and RRTA tax withheld (two or more employers)	59			
	60 Credit for Federal tax on special fuels and oils (*attach Form 4136*)	60			
	61 Regulated Investment Company credit (*attach Form 2439*)	61			
	62 Total. Add lines 55 through 61 ▶			62	14345
Refund or Due	63 If line 62 is larger than line 54, enter amount OVERPAID ▶			63	
	64 Amount of line 63 to be REFUNDED TO YOU ▶			64	
	65 Amount of line 63 to be credited on 1979 estimated tax ▶	65			
	66 If line 54 is larger than line 62, enter BALANCE DUE. Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number on check or money order ▶ (Check ▶ ☐ if Form 2210 (2210F) is attached. See page 14 of instructions.) ▶ $			66	21865

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information	Preparer's signature ▶	Preparer's social security no. 062 07 4105	Check if self-employed ▶ ☑
	Firm's name (or yours, if self-employed), address and ZIP code ▶	E.I. No. ▶	
		Date ▶	

115068-9074-10 "08399

Form **2210**
Department of the Treasury
Internal Revenue Service

Underpayment of Estimated Tax by Individuals

▶ Attach to Form 1040. ▶ See instructions on back.

☐

Name(s) as shown on Form 1040: JOHN A AND GERALDINE ZACCARO

Social security number: 061 30 9934

Part I How to Figure Your Underpayment (Complete lines 1 through 16)

If you meet any of the exceptions to the underpayment penalty for ALL four periods, skip lines 1 through 16 and go directly to line 17.

1 1978 tax (from Form 1040, line 54)		42,706.
2 Earned income credit (from Form 1040, line 57)		
3 Tax credit for special fuels and oils (from Form 1040, line 60)	3778	
4 Minimum tax (from Form 1040, line 49)	~~10,400.~~	
5 Social security (FICA) tax on unreported tip income (from Form 1040, line 51)		
6 Uncollected employee FICA and RRTA tax on tips (from Form 1040, line 52)		
7 Tax on an IRA (from Form 5329, Part I or III included on Form 1040, line 53)		
8 Refundable business energy credit (from Schedule B (Form 3468) included on Form 1040, line 62)		
9 Total (add lines 2 through 8)		10,400.
10 Balance (subtract line 9 from line 1)		32,306.
11 Enter 80% of the amount shown on line 10		25,845.

	Payment Due Dates (a)	(b)	(c)	(d)
12 Divide amount on line 11 by the number of payments required for the year. Enter the result in appropriate columns	4/15/78 6,462.	6/15/78 6,461.	9/15/78 6,461.	1/15/79 6,461.
13 Amounts paid on estimated tax and tax withheld	3,587.	3,586.	3,586.	3,586.
14 Overpayment (on line 16) from previous period	▨			
15 Total (add lines 13 and 14)	3,587.	3,586.	3,586.	3,586.
16 Underpayment (subtract line 15 from line 12) OR Overpayment (subtract line 12 from line 15)	2,875.	2,875.	2,875.	2,875.

Part II Exceptions to the Penalty
(Farmers and fishermen see Instruction E for special exception)

17 Total amount paid and withheld from January 1 through the payment due date shown	3,587.	7,173.	10,759.	14,345.
18 Exception 1.—1977 tax. . . ▶ $ 9,790.	25% of 1977 tax 2,448.	50% of 1977 tax 4,895.	75% of 1977 tax 7,343.	100% of 1977 tax 9,790.
19 Exception 2.—Tax on 1977 income using 1978 rates and exemptions (attach computation)	Enter 25% of tax	Enter 50% of tax	Enter 75% of tax	Enter 100% of tax
20 Exception 3.—Tax on annualized 1978 income (see worksheet on back)	Enter 20% of tax	Enter 40% of tax	Enter 60% of tax	Not applicable
21 Exception 4.—Tax on 1978 income over 3, 5, and 8-month periods (attach computation)	Enter 90% of tax	Enter 90% of tax	Enter 90% of tax	

Part III How to Figure the Penalty
(Complete lines 22 through 26)

22 Amount of underpayment (from line 16)				
23 Date of payment or April 15, 1979, whichever is earlier	4/15/79	4/15/79	4/15/79	4/15/79
24 Number of days from due date of payment to the date on line 23	365	304	212	90
25 $\frac{\text{Number of days on line 24}}{365}$ × 6% × amount on line 22				
26 Penalty (add amounts on line 25). Check the box below line 66 on Form 1040 and show this amount in the space provided. Then increase the "Balance Due" or decrease the amount "Overpaid" accordingly				

EXHIBIT NO. 22

Geraldine A. Ferraro
Income Tax Summary
1979-83

Year	Gross Income	Federal Taxes	State And City Taxes	Total Taxes
1979	$ 56,228	$17,689	$ 6,674	$ 24,363
1980	65,785	21,822	7,854	29,676
1981	71,015	15,514	5,856	21,370
1982	69,088	20,141	7,897	28,038
1983 Amended	70,358	19,152	8,323	27,475
Total	$332,474	$94,318	$36,604	$130,922

From 1979-1983 Geraldine Ferraro had a gross income of $332,474. She paid $130,922 in Federal, State and City income tax, which represents 39.38% of her gross income.

HIBIT NO. 23

John A. Zaccaro
Income Tax Summary
1979-83

Year	Gross Income	Federal Taxes	State And City Taxes	Total Taxes
1979	$ 91,775	$ 21,628	$ 13,001	$ 34,629
1980	107,510	35,923	15,867	51,790
1981	41,060	7,733	2,784	10,517
1982	90,585	18,834	9,634	28,468
1983	203,039	65,377	29,563	94,940
Total	$533,969	$149,495	$ 70,849	$220,344

From 1979-1983, John Zaccaro has had a gross income of $533,969. He paid $220,344 in Federal, State and City income tax, which represents 41.27% of his gross income.

EXHIBIT NO. 24

SUMMARY STATEMENTS OF FINANCIAL CONDITION

Geraldine A. Ferraro
and
John A. Zaccaro

July 31, 1984

Geraldine A. Ferraro and John A. Zaccaro have each made a good faith estimate of the fair value of their respective assets and liabilities. In the tables below, each has estimated the value of assets and liabilities by category to arrive at their respective estimated net worth as of July 31, 1984.

Geraldine A. Ferraro

Personal Residences (1/2 interest in property owned jointly with John A. Zaccaro, net of mortgage obligation, and Fire Island lots owned solely by Geraldine A. Ferraro.)

- Forest Hills, New York
- Fire Island, New York and four contiguous lots
- Condominium apartment, St. Croix, U.S. Virgin Islands

$525,000

Other Assets

- Cash and cash equivalents
- Municipal bonds
- U.S. Civil Service Retirement System - vested benefit
- Receivables
- One-third interest in P. Zaccaro Co., Inc.
- Automobile, net of loan
- Personal property

235,000

Estimated Net Worth, July 31, 1984	$760,000

John A. Zaccaro

Personal Residences (1/2 interest in property owned jointly with Geraldine A. Ferraro, net of mortgage obligation)

- Forest Hills, New York
- Fire Island, New York
- Condominium apartment, St. Croix, U.S. Virgin Islands

	$400,000

Real Estate Properties held in a corporation or in a partnership in which John A. Zaccaro has equity interests:

- Buildings in New York City

  124-126 Bowery
  200 Lafayette Street
  218 Lafayette Street
  49 Market Street
  1-3 Mott Street
  68-70 Spring Street

- Condominium apartments

  69 Bank Street, New York City
  Candle Reef, Christiansted, St. Croix, U.S. Virgin Islands

- Three lots contiguous to personal residence, Fire Island, New York.

	2,750,000

Other Assets

- Cash and cash equivalents
- Receivables
- Two-thirds interest in P. Zaccaro Co., Inc.
- Automobiles, net of loans
- Personal property

	180,000
Liabilities - Loans and advances	(310,000)
Estimated Net Worth, July 31, 1984	$3,020,000

EXHIBIT NO. 25

August 20, 1984

STATEMENT CONCERNING
P. ZACCARO CO., INC.

P. Zaccaro Co., Inc., is the only business enterprise of John Zaccaro's in which Geraldine Ferraro has any ownership interest or holds even a formal corporate position.

The company, a small, closely-held family business, was founded in 1935 by John Zaccaro's father, Philip. John Zaccaro's mother, Rose, and his brother, Frank, served as officers and directors of the company, along with Philip Zaccaro. Frank died in 1968, but Rose Zaccaro remains a director of the company. Philip Zaccaro owned the only three outstanding shares of the company at the time of his death in 1971. Those shares were then transferred through his estate to his wife, Rose. In 1974, Rose Zaccaro transferred two of these shares to her son, John, and the remaining one share to her daughter-in-law, Geraldine Ferraro.

P. Zaccaro Co. is primarily a real estate management company, located at 218 Lafayette Street in Manhattan, and owns no real estate itself. (Frajo Associates, which, unlike P. Zaccaro Co., does own real properties, is wholly owned by John Zaccaro and his mother. Geraldine Ferraro has no ownership interest in Frajo, nor does she hold any positions in that company.) Besides John Zaccaro, the company has three employees.

As a real estate management company, P. Zaccaro Co. manages approximately 22 buildings, which, with one exception, are located in Manhattan. Most of these properties are commercial buildings. The company's day-to-day responsibilities generally are to serve as the agent for building owners for the collection of rents and the disbursement of necessary funds for maintenance services such as heat, electricity, repairs, and other incidental matters. In particular cases, the company may also be responsible for advertising the availability of space in a building it manages and for drawing up leases for such space. The company's authority to approve tenants or to enter into leases with them varies from building to building and from owner to owner.

The company's maintenance function on behalf of a given property owner also differs from building to building. In most cases the superintendent is the employee of the building owner and is paid by the P. Zaccaro Co. as part of its responsibilities to disburse maintenance funds on behalf of the owner. In no instance is the superintendent an employee of P. Zaccaro Co.

A portion of P. Zaccaro Co.'s business operations is in real estate and insurance brokerage. From time-to-time either P. Zaccaro Co. or, more frequently, John Zaccaro individually, will act as the broker on the purchase or sale of a real estate property. A license is required for this purpose, and both P. Zaccaro Co. and John Zaccaro are, separately, licensed brokers.

In addition, P. Zaccaro Co. is licensed to act as an agent for the sale of property, casualty, and fire insurance. It occasionally writes policies in these areas for properties it manages or for other clients.

Geraldine Ferraro's association with P. Zaccaro Co. originated in 1971, shortly after the death of John Zaccaro's father. In May 1971, Ms. Ferraro became a director of P. Zaccaro Co., along with her mother-in-law and husband. In September 1974, Ms. Ferraro acquired her single share in the company from her mother-in-law. Since Ms. Ferraro became a shareholder, she has never drawn a salary from the company nor received any fees for services from the company.

During the period from 1971 to 1974, well before she ever ran for Congress, Ms. Ferraro maintained an office where she conducted her legal practice in part of the space occupied by P. Zaccaro Co. In her practice she occasionally represented buyers and sellers of properties in transactions in which P. Zaccaro Co. or John Zaccaro served as broker. After the death of her father-in-law, Ms. Ferraro, who already was qualified as a real estate broker by virtue of her admittance to the Bar of the State of New York, attended insurance school and obtained a license to sell insurance. After obtaining her license, she occasionally wrote insurance policies in the course of P. Zaccaro Co.'s business operations. Her role was not that of counsel to P. Zaccaro Co., which had its own attorney. Although she maintained an office at P. Zaccaro Co., she was not generally involved in the business aspects of the real estate transactions in which the company was engaged. While her law office was in the building occupied by P. Zaccaro Co., however, she was available in her husband's absence to answer questions and oversee the ministerial functions of the office performed by the company's employees.

In 1974, Ms. Ferraro became an Assistant District Attorney for Queens County and gave up her law office at P. Zaccaro Co. She formally retained her positions as an officer and director of the company so that she would be available to sign applications for various licenses, including an insurance broker's license that the company required to conduct its business. Both Ms. Ferraro and her husband also believed that her maintenance of formal titles as an officer and director would be a prudent course of action so that, should anything happen to her husband, she would be qualified to take immediately whatever steps were necessary to maintain the company as a going concern. However, given her responsibilities and the requirements of her own independent career from the time she left the offices of P. Zaccaro Co. to become an Assistant District Attorney and thereafter a member of Congress, she retained no further involvement in the day-to-day operations of the office. This arrangement reflects the way business is routinely conducted in many similar family businesses that are organized as closely held corporations. It was also consistent with Ms. Ferraro's efforts, which accelerated upon her candidacy for the House of Representatives, to separate her financial affairs from those of her husband in other areas (for example, the filing of separate tax returns and the separation of day-to-day living expenses). Her husband exercised the sole responsibility for receiving and reviewing the financial statements of the business and for maintaining its books and records as part of his function in running the business. Although some documents have included among her formal titles that of treasurer, the fact is that she is not an authorized signatory of the corporation for purposes of signing checks or otherwise drawing on its accounts.

In connection with her congressional campaigns, for which John Zaccaro served as treasurer, Ms. Ferraro listed P. Zaccaro Co.'s address as the address for her campaign committee. This practice of using a campaign treasurer's address is commonplace in order to assure a constant mailing address for correspondence relating to campaign financing and federal election law compliance; political campaign headquarters themselves are necessarily staffed and in existence for only relatively short periods of time. At no time did Ms. Ferraro use the office as a campaign headquarters -- indeed P. Zaccaro Co.'s office is in Manhattan and not even in Ms. Ferraro's congressional district.

EXHIBIT NO. 26

August 20, 1984

STATEMENT CONCERNING CERTAIN PROPERTIES MANAGED BY P. ZACCARO CO.

200 Lafayette Street

200 Lafayette Street is a seven-story warehouse located at the corner of Broome and Lafayette Streets in Manhattan. Existing zoning restricts the use of this property to certain manufacturing and commercial activities.

In August 1980, this building was purchased by Melro Company, a partnership owned by Manny Lerman and members of his family. It has since become a partnership asset of the Second Grand Company, a partnership in which Melro Company and John Zaccaro are equal partners.

Second Grand Company leased two floors of the building (the third and fifth) to BO-NA-TE Distributors, Inc., in December 1981. Their lease runs from February 1, 1982 to January 31, 1985. The lease expressly limits the use of the property to storage. BO-NA-TE Distributors, Inc., at all times, was represented by Nathan Gramma, president of that corporation.

In response to recent allegations appearing in the media that the materials stored by the tenant included pornographic magazines, Mr. Zaccaro took immediate steps to determine whether these allegations were true and, if so, whether the lease could be terminated. The media reports were the first indication Mr. Zaccaro had received of the nature of the materials stored by the tenant.

The law firm of Rosenberg & Estis, expert in New York landlord/tenant law, was retained by Mr. Zaccaro to inspect the premises and to commence any possible legal action. Following an inspection of the premises and review of the lease, however, Mr. Zaccaro was advised by that firm that the tenant has not violated its lease nor engaged in any illegal activity, and that no ground exists to evict the tenant. Although no basis was found for terminating the lease, Mr. Zaccaro instructed his attorney to notify the tenant that the lease will not be renewed when it expires on January 31, 1985, and such notice has been given.

68 Mott Street

68 Mott Street is a five-story residential building on a busy block in the Chinatown section of Manhattan. It has been owned for at least fifteen years by the Soo Yuen Benevolent Association, and during this period it has been managed by P. Zaccaro Co.

In addition to the residential tenants in the building, the ground floor for many years has been let for commercial use to a restaurant and a food store. Part of the basement has been rented to the restaurant and, since 1974, part of the basement has also been rented to a Chinese social club. In all instances, the owner, not the managing agent, has made all decisions concerning the selection of tenants for the building.

In recent weeks, allegations have appeared in the media that this building has been the site of frequent and repeated police raids upon gambling activities, and that the managing agent had been notified by the police of numerous arrests at the building.

Neither P. Zaccaro Co. nor Mr. Zaccaro have ever received any notice or other communication from the New York City Police Department or any other source with respect to any arrests or any illegal activity occurring at 68 Mott Street. Until the recent press reports, they had no knowledge of any allegations of improper activity at this building.

Upon first hearing these allegations, Mr. Zaccaro instructed his attorneys to determine whether police records actually revealed any instance of an arrest at 68 Mott Street. Official records indicate that on four occasions arrests for gambling activities have been made, although the records also indicate that the managing agent was not notified.

Upon learning these facts from its attorneys, P. Zaccaro Co. promptly gave formal notice to the owner of the building that it will no longer serve as managing agent.

49 Market Street

49 Market Street is a two-story commercial building located in the East New York section of Manhattan. Since 1974, the property has been owned by Mr. Zaccaro and his mother and has been managed by P. Zaccaro Co. A recent newpaper article alleged that police had seized gambling equipment from this building. Neither the owners, the managing agent nor Mr. Zaccaro has knowledge of any such incident. Police records do not indicate that any such event ever occurred.

EXHIBIT NO. 27

August 20, 1984

STATEMENT CONCERNING MS. FERRARO'S REPAYMENT OF THE FAMILY'S LOANS TO HER 1978 CONGRESSIONAL CAMPAIGN

As has been fully detailed in papers on file at the Federal Election Commission (FEC), Ms. Ferraro's first Congressional campaign in 1978 received loans totaling $134,000 from Mr. Zaccaro and their three children. The campaign disclosed the loans fully in its regular reports to the FEC. Ms. Ferraro and Mr. Zaccaro had been advised by counsel that intra-family loans could exceed $1000 per person. However, after reviewing the campaigns reports, the FEC informed it in September 1978 that those loans were subject to the Federal Election Campaign Act's (FECA) limit of $1000 per person and requested an explanation. After receiving the FEC's letter of inquiry, the campaign repaid Mr. Zaccaro and the Zaccaro's children $130,000 in October 1978. This was the amount the FEC initially suggested might exceed the Act's limit; in 1979, when the matter was resolved, the Commission reduced its view of the excessive loan amount to $110,000.

The $130,000 was repaid out of Ms. Ferraro's personal assets. While individuals are generally limited to $1000 contributions, the law places no ceiling on the campaign contributions a candidate may make from his or her own assets. In order to raise the $130,000, Ms. Ferraro sold two of her own real estate assets on October 4, 1978. The buyer was Melro Company, a family partnership of Manny Lerman, a real estate investor who did business with John Zaccaro. Although Mr. Zaccaro later purchased one of those assets, Ms. Ferraro has never again owned either asset.

The Assets

One of the assets was a one-half interest in a parcel of land with a commercial building at 231 Centre Street in lower Manhattan. Ms. Ferraro and Melro bought the property for $175,500 on May 1, 1978. Mr. Zaccaro and Mr. Lerman believed at the time that the price was significantly below the property's value, a judgment subsequent events confirmed. The seller took back a purchase money mortgage for $124,605. Of the remaining cash portion of the purchase price ($50,895), Ms. Ferraro paid half and Melro paid half.

The other asset was a one-half interest in a mortgage on 230 Grand Street in lower Manhattan. In November 1977, Ms. Ferraro and some of Mr. Lerman's family members bought the mortgage, then at $70,000, from the mortgage holder, the National Bank of North America. Ms. Ferraro paid $35,000 for her one-half interest. The Grand Street property was owned half by Melro and half by Frajo Associates, Inc., a company owned 30.55% by Mr. Zaccaro and the remainder by his mother.

The Sale of Ms. Ferraro's Assets to Melro

After the campaign learned that the family loans had to be repaid, Mr. Zaccaro negotiated with Mr. Lerman for Melro's purchase of Ms. Ferraro's one-half interests in the 231 Centre Street property and the mortgage on the 230 Grand Street property. Mr. Zaccaro and Mr. Lerman believed that a fair valuation of the 231 Centre Street property was approximately $325,000. This was consistent with their belief that the May 1978 purchase price was well below the property's value. The net proceeds from the sale of Ms. Ferraro's half interest were approximately $100,000 ($325,000 minus the mortgage of $124,600, divided by two).

Mr. Lerman also agreed to have Melro purchase Ms. Ferraro's one-half interest in the mortgage on the 230 Grand Street property for $30,000, a $5,000 discount from its face value. Together, the cash paid on the two purchases by Melro totalled $130,000. Ms. Ferraro used the proceeds of these sales to repay the family loans to her campaign.

Mr. Zaccaro's Acquisition of a Half Interest in 231 Centre Street

In early 1979, Mr. Zaccaro acquired a half interest in 231 Centre Street from the Lerman family interests. Mr. Zaccaro had been disturbed at the prospect of the family losing an interest in the 231 Centre Street property, which he regarded as a good investment. Because of the recent FEC experience, however, it did not occur to Mr. Zaccaro that he could lawfully purchase it directly from Ms. Ferraro. He believed someone else would have to buy it first. (In fact, he could have lawfully bought the property directly from Ms. Ferraro.) Accordingly, while Mr.

Lerman agreed to buy Ms. Ferraro's interest in the 231 Centre Street property, Mr. Zaccaro and Mr. Lerman also reached an understanding that Mr. Zaccaro would acquire a 50% interest in that property in the near future.

As a result of his understanding with Mr. Lerman, in January 1979 Mr. Zaccaro paid $100,000 to a company of Mr. Lerman's which had borrowed the money for Melro's purchase of Ms. Ferraro's assets, and he acquired a 50% interest in the 231 Centre Street property. They treated the property as owned by a partnership called the Second Grand Company, with Mr. Zaccaro a 50% partner, even though Melro remained the owner of record.

In November 1980, the 231 Centre Street property was sold to W&N Enterprises, Inc., for $375,000--$50,000 more than the value Messrs. Zacoaro and Lerman attributed to it in October 1978 and about $200,000 higher than the $175,500 Ms. Ferraro and Mr. Lerman paid in May 1978, only 2 years and 5 months earlier.

Ms. Ferraro did not know that Mr. Zaccaro had any understanding to purchase a half interest in 231 Centre Street and had actually acquired that interest in 1979. She learned about the purchase only in the last year.

Conclusion

In sum, Mr. Lerman purchased valuable real estate assets from Ms. Ferraro at a commercially reasonable price. She used the proceeds of that transaction to make a lawful contribution to her campaign to repay the family loans. Mr. Lerman did not make any "contribution" to Ms. Ferraro or to the campaign. Similarly, Mr. Zaccaro could have purchased those same assets directly from her for a reasonable price. Ms. Ferraro also could have transferred the assets directly to Mr. Zaccaro to repay the loans. Under the Federal Election Campaign Act, one does not make any contribution by purchasing property directly or indirectly from a candidate at a commercially reasonable price, even when it is known that the candidate will contribute the money to the campaign. Accordingly, the fact that Mr. Lerman bought Ms. Ferraro's one-half interest in 231 Centre Street first and then sold it to Mr. Zaccaro does not make the transaction unlawful.

BEFORE THE
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT
OF THE
UNITED STATES HOUSE OF REPRESENTATIVES

APPENDIX
TO
STATEMENT OF REPRESENTATIVE GERALDINE A. FERRARO RESPECTING THE ALLEGATIONS OF THE COMPLAINT OF THE WASHINGTON LEGAL FOUNDATION

Volume II

October 1, 1984

INDEX TO EXHIBITS

Exhibit Number	Description of Document
1	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1978 dated September 30, 1984
2	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1979 dated September 30, 1984
3	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1980 dated September 30, 1984
4	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1981 dated September 30, 1984
5	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated September 30, 1984
6	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated September 30, 1984
7	Washington Legal Foundation, Annual Report, Letter of the General Counsel (1983)
8	Ethics in Government Act Report (Form 278) dated August 20, 1984
9	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1979
10	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1980
11	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1981
12	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1982

Exhibit Number	Description of Document
13	Geraldine A. Ferraro Form 1040, U.S. Individual Income Tax Return for the year 1983
14	Geraldine A. Ferraro Form 1040X, Amended U.S. Individual Income Tax Return for the year 1983, dated May 10, 1984
15	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1979
16	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1980
17	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1981
18	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1982
19	John A. Zaccaro Form 1040, U.S. Individual Income Tax Return for the year 1983
20	John A. and Geraldine Zacarro Form 1040, U.S. Individual Income Tax Return for the year 1978
21	John A. and Geraldine Zacarro Form 1040X, Amended U.S. Individual Income Tax Return for the year 1978, dated August 19, 1984
22	Geraldine A. Ferraro Income Tax Summary, 1979-83
23	John A. Zaccaro Income Tax Summary, 1979-83
24	Summary Statements of Financial Condition, Geraldine A. Ferraro and John A. Zaccaro, dated July 31, 1984
25	Statement Concerning P. Zaccaro Co., Inc. dated August 20, 1984
26	Statement Concerning Certain Properties Managed by P. Zaccaro Co. dated August 20, 1984

Exhibit Number	Description of Document
27	Statement Concerning Ms. Ferraro's Repayment of the Family's Loans to her 1978 Congressional Campaign dated August 20, 1984
28	Press Conference Transcript, August 21, 1984
29	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1978 dated May 15, 1979
30	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1979 dated April 29, 1980
31	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1980 dated May 3, 1981
32	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1981 dated April 29, 1982
33	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated May 9, 1983
34	Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated May 8, 1984
35	1978 Blank Financial Disclosure Statement with Instructions
36	1979 Blank Financial Disclosure Statement with Instructions
37	1980 Blank Financial Disclosure Statement with Instructions
38	1981 Blank Financial Disclosure Statement with Instructions
39	1982 Blank Financial Disclosure Statement with Instructions
40	1983 Blank Financial Disclosure Statement with Instructions

Exhibit Number	Description of Document
41	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1982 dated May 17, 1983
42	Amended Financial Disclosure Statement of Geraldine A. Ferraro for the year 1983 dated May 8, 1984
43	H. R. Rep. No. 94-1364, 94th Cong., 2d Sess. (1976) (Sikes Report)
44	H. R. Rep. No. 95-1817, 95th Cong., 2d Sess. 1978) (Korean Influence Investigation Report)
45	H. R. Rep. No. 96-930, 96th Cong., 2d Sess. (1980) (Wilson Report)
46	H. R. Rep. No. 96-351, Vol. I, 96th Cong., 1st Sess. (1979) (Diggs Report)
47	S. Rep. No. 96-40, 96th Cong., 1st Sess. (1979) (Brooke Report)
48	Staff of Senate Select Comm. on Ethics, Report on the Investigation of Senator Herman E. Talmadge (Vol. I) (Comm. Print 1980) (Talmadge Report)
49	H. R. Rep. No. 98-981, Vol. I, 98th Cong., 2d Sess. (1984) (Hansen Report)

EXHIBIT NO. 28

x - x

: **PRESS CONFERENCE** :

: HELD BY :

: CONGRESSWOMAN GERALDINE A. FERRARO :

x - x

PLACE: Viscount Hotel
JFK Airport
Queens, New York

TIME: 1:00 p.m.
COMPLETED: 2:50 p.m.

DATE: August 21, 1984

Press Conference

APPEARANCES:

CONGRESSWOMAN GERALDINE A. FERRARO

CHARLES J. REYNOLDS
MICHAEL H. CARODOZO
IRWIN ETTINGER

* * *

(Whereupon, at 1:00 p.m., August 21, 1984, Congresswoman Geraldine A. Ferraro appeared before the Press at the Viscount Hotel at JFK Airport.)

* * *

CONGRESSWOMAN FERRARO: Let me, just prior to taking your questions, say that I understand that you have just been given the technical briefing by the accountants and the lawyers who have been handling this matter for the past several weeks.

It is, I believe, and I assure you that you will agree that it's the most --

(Whereupon, Congresswoman Ferraro left the podium.)

(At 1:15 p.m., Congresswoman Ferraro returned to the Conference.)

CONGRESSWOMAN FERRARO: All right, we

will try it one more time.

Let me first start off by saying that I am sure you have just gone through a full technical briefing with my accountants and lawyers.

I hope they explained all the technical parts of what is going on. I will try to explain the remaining question.

Let me also say that I think what you have received is probably more financial disclosure than you have from any other candidate in the United States and from any other spouse. I am comfortable with the amount of information we have released.

I have served the people of the Ninth Congressional District for the past, not quite full six years yet. I feel very, very strongly about ethics in Government.

I also feel that by looking at my record over the past five and a half years that I have represented the Ninth Congressional District would indicate that at no time did I violate any trust placed in me by my constituents.

Press Conference

I have always acted as a member of Congress in the best of public interest.

Now, with that said, why I don't take your questions and see if we can clear up everything else that is outstanding.

VOICE: Ms. Ferraro, you did not take an exemption on your records of disclosure?

CONGRESSWOMAN FERRARO: That's right.

VOICE: Do you feel that was appropriate inasmuch as in the tax returns that you did receive money from your partnership interest and, therefore, you must have had some knowledge or profit with it?

CONGRESSWOMAN FERRARO: Let me first of all correct you. I didn't receive any money from the partnership interest.

Yes, I believe I was -- it was appropriate to claim that exemption. I have claimed it openly. That admission has been before the Ethics Committee for the past six years.

I believe today it was the correct application.

Let me tell you why. The P. Zaccaro

Company, which is the firm which I have one share and my husband has two, it is a management firm.

I believe the accountants showed you -- did you show them a diagram which indicated my husband's holdings and my holdings and what P. Zaccaro Company is?

P. Zaccaro Company has no assets. Let me tell you why I am there and why I believe I was entitled to the exemption.

In 1968, my husband's only brother, Frank Zaccaro died very suddenly of cancer, sarcoma.

Three years later his father, Philip Zaccaro died of cancer. When that occurred they were the only three people, he, the father and brother who were officers of the corporation at the time.

When that occurred, my husband said to me, "Geri, why don't you get an insurance license." As a lawyer, you are already a real estate broker. In case something happens to me, you will be able to come in and keep the license alive and keep the business going and take care of our kids, his mother, my mother.

So, at that point I became an insurance broker. I went to school. I became an officer in the corporation.

Now, again, that corporation is a management corporation. I was there merely to keep, in case of death or disability, that license alive for an emergency. I have never participated in the workings of that business despite the title.

What income is recorded on my tax return, as you know, is a minimal amount but it was -- again, it was from my ownership of the one share of that firm and not from the assets. All right?

That's why I didn't think it was an interest that should be (Unintelligible.)

VOICE: It seems to me that it is not only the question of direct income, starting back in 1978 with money from your husband's business which helped you finance your election.

Subsequent to that, -- (Inaudible.)

CONGRESSWOMAN FERRARO: Let's stop there

and let me correct that.

Money from my husband's business was my husband's money and my children's money. It was lent to my campaign.

From the beginning -- well, during that period of time that we were putting the campaign together.

Now, in September when I found out that those were improper, I sold a piece of my property so my -- I sold the mortgage, one-half interest in the mortgage. My money paid for my campaign because I paid back the loans that were improper.

Now, go to the next step.

VOICE: Even if we go beyond that, it would be, as the years progressed through, the property you bought together, houses, that type of thing. The property, whatever.

There are trips you have taken. This is money you have been able to use which came to the family through your husband's business.

Can that not be considered part of a benefit that you had from your husband's business?

Press Conference

CONGRESSWOMAN FERRARO: Let me go back again? You are talking about the houses, two houses that we have; the one in Forest Hills and the one in Fire Island were houses that were bought in 1961 and 1965 long before I ever came to Congress.

The last residence we bought was a condominium a year ago.

If you take a close look at the exemption, there are two that can be claimed. The one that can be claimed as a married individual for a spouse living separately and contemplating divorce.

The second exemption which is the one I claimed was for a married couple living together.

Now, if that were to imply that I would have to take into account that we would have to split home expenses, and you can carry it to the full extreme which is what you want to do and I don't blame you, you have to have a separate refrigerator, you know.

When you go on vacation, you say, "You pay for this and I will pay for that."

Press Conference

When the phone bills came, we figured out which kid used it the most and which one will claim responsibility. That's the extreme you have to carry it to in order to say that you could get no benefits at all.

When I read that exemption, and I did it, believe it or not, as recently as last May when I filed my last report, I looked and I said to my husband, "You have to file a disclosure."

He said, "No, look at the exemption."

I looked. They talk about assets and liabilities. I read that to say do I get any income from his firm that I will have to address? Do I own any of that business? Do I -- what do I have?

Don't lose sight of the fact of the purpose of the law. The purpose is to put out before the public what we own and what interests I might have so that when I serve my constituents as a member of Congress, I am not -- they would know whether or not I had a conflict and was putting my husband's interest and my personal interest above the public.

What I have done since elected to Congress is that I have chosen to keep our finances totally separate. I did that in 1979 as soon as I entered Congress.

I filed -- we filed separate returns. We used to file jointly until I got elected.

You saw the returns. My 1978 was a joint return. After that they were separate.

The accountants checked recently. I said -- I knew I suffered the penalty by filing separately but we have suffered over the last several years $6,000 or $7,000 that we could have pocketed had we filed jointly but I deliberately wanted to keep our finances separately.

The two separate professional lives, okay? That was done.

When I read that form, I read it the same way today. If you go to the extreme of saying if you wanted to take a vacation, then the extreme has to be, "Okay, we should have separate refrigerators, phone bills and that exception means absolutely nothing and no member of Congress should be able to claim it and no Cabinet officer or no person running for elective office.

VOICE: What was the original point of making that separation? Why bother?

CONGRESSWOMAN FERRARO: If you go back to 1978 with my first election, when it came time for me to run, I borrowed money.

We had been given information from our attorney, inaccurate, improper.

I had borrowed money and I had to -- I had to pay it back but when I went to pay it back, I went -- anytime I went to try to get a loan or if I tried to sell the property, whatever I tried to do, it was always, "What position does your husband have?"

When I went to get a bank loan, they said they wanted his signature.

By now, between September and November, I knew that if I had my husband's signature on the loan, it would be a violation of the law.

I said he can sign it, it will violate the law.

Press Conference

They said you can't have the loan without his signature. So I determined then that if I was ever going to have a problem in 1980, 1982, 1984 or 1986 in running for Congress -- I never thought I would be in this spot, but in running for election, I wanted to have everything separate so I would be able to use my money and never have to worry again about using my money separately. It was kept deliberately apart.

It was also kept deliberately apart because I understood that my obligation to the American public. I didn't want to know his business. I don't want to know it now.

Check the National Realtors Association and find out what my rating is with those people over the last several years.

In the 96th Congress, according to the realtors in this Country, I voted against them 88-percent of the time. I voted against them in the 97th Congress 75-percent of the time.

Compare that with my senior citizens' rating which ran 100-percent.

Press Conference

VOICE: In talking about going to the heart of the whole problem of paying back the improper campaign loan, please tell me if this -- as we understand it was, what happened?

Your husband helped you buy a property. You sold it to an associate of his to help you pay back any legal campaign loans. He buys the lot back from a friend while the friend tells the Election Committee that your husband had no interest in it.

Did you give the Federal Commission a fast shuffle?

CONGRESSWOMAN FERRARO: Absolutely not. You got part of the facts correct.

I owned property when I was running for Congress. I owned two pieces of property. One was a half interest in a piece of real estate and the other was a half interest in a mortgage.

I had taken my -- my campaign had taken improper loans which we found out to be improper later, from my husband and my children. The fact is that we didn't know they were improper because we weren't given proper legal advice.

The way the Federal Election Commission found out about the loan is because I reported it to them. I put in my report on time letting them know about the loans.

A night or two before the Primary, I was notified by the Federal Election Committee that if I didn't pay those loans back -- actually it's up to the time of the Primary Election that they were perfectly all right but they had to be paid on Election Day.

On Election Day -- well, two or three days before, I found out that I was in violation if I didn't pay them back on Primary Day.

My husband said, "What are we going to do?"

I said, "Well, we'll have to worry about it after the Primary."

What happened was that I said, "I have got two assets. We have to sell it fast."

My husband is in the business. I gave him the real estate. I gave him the mortgage.

I said, "Sell them for me. Get whatever

you can get."

Then, if I need more, I would have gone out and tried to borrow from the bank. I ended up doing that for the balance of the campaign.

He sold it. It went to my partner in both pieces of property.

I, to this day, do not own the property. I have relinquished my interest. I sold my interest and it was my sale of my interest that got me that money to pay back the improper loans.

Now, I found out rather recently that the following January my husband purchased that half interest from my partner. When I found out I said, "Why do it?" It was perfectly legal, as you know, for him to do that and it would have been perfectly legal for him to buy the property directly.

He said it was legal. I said, "Sure," it was but it doesn't look so hot, but, you know, what can I tell you?

Again, the point is that it was legal. Everything we did, as far as that property, was legal and continues to be legal today.

VOICE: Are you saying that you wished he had not done that; that he had not purchased the property back?

CONGRESSWOMAN FERRARO: No. I had to sell that property. That he should -- he had a business involvement.

When you see my husband's stuff, he is a businessman. I don't make judgments on whether -- what his personal decisions are.

VOICE: I have a two-part question: On one hand you have a Congressional Mandate on the Ethics in Government Act which is the same Act you complied with yesterday that requires, the booklet is detailed on this, that the House Ethics Committee put out, and it requires and if you have any involvement whatsoever with your husband's business, if you have any benefit and it goes into detail and says if you have vacations that derive from the income of your husband's activities or if you educate your children with money derived from his business or any of these things, that you must interpret it broadly and if you do not, then, meet the exemption, you must file it with the House.

Even though you have these examples, it's cited (Unintelligible.) would not fulfill that requirement?

CONGRESSWOMAN FERRARO: I'm not quite sure of your question.

Let me just indicate one thing: I am under the impression that you are actually accurate about those instructions being out there but I am not sure if those instructions were instructions that were -- where is Tony? Is he here?

VOICE: Tony, who?

CONGRESSWOMAN FERRARO: He has been going over these instructions because I may have constructive knowledge of that but when I was dealing with the exemption, I indicated to you that the exemption I had was because I didn't interpret as being, you know, again like I explained to him, I didn't interpret it to mean that we live in the same house. It was a working marriage and people were living in the same house and the exemption would not exist if people didn't intend that it meant not to split.

VOICE: Could you get an advice (Unintelligible.)

Who is this?

CONGRESSWOMAN FERRARO: When Tony comes -- I was dealing with constructive knowledge which is the only thing I can be charged with on that.

He indicated to me those instructions were not written until 1980 where I previously filed this return and claimed exemptions before that.

In addition, we are under the impression it had not been certified by the Committee.

I'm not quite sure if it was right. The most I could be charged with is constructive knowledge.

Again, if I were to say if I am entitled to that exemption, I would say, yes because of the fact that, you know, the exemption means absolutely nothing unless you read it a little differently than the way it's indicated.

Press Conference

VOICE: I have a follow-up question -- actually, it's more complicated now because I understand the House Ethics Committe may not review this matter until after the Election. There is a report that they have taken a liberal view of when the complaint was made against you.

It was actually first (Unintelligible.) by them on August 7th.

They didn't talk (Unintelligible.) until August 17th.

Now, it looks as though, even (Unintelligible.) you have gone through the whole thing with Congressman George Hansen and he --

CONGRESSWOMAN FERRARO: Are you making a speech or a statement or do you have a question?

VOICE: When they encouraged the Ethics Committee to pursue an investigation and clear your name (Unintelligible.)

CONGRESSWOMAN FERRARO: I have not spoken to anybody in the Ethics Committee. Whatever they do will be their decision.

Press Conference

VOICE: From the instructions put out by the House Ethics Committee, they said a benefit test could be interpreted broadly. (Inaudible.) a maintenance of a home.

Do you think, in light of that language by your colleagues on the Ethics Committee, that you are entitled to that exemption?

CONGRESSWOMAN FERRARO: I continue to say that I am entitled to the exemption. I said I don't mind answering questions as long as they are not redundant but I have answered that same question three times.

VOICE: Going back to the previous problem in 1978, if it was a question of judgment, why, when you were starting a campaign for Congress, would you choose to risk $25,000 from your limited assets, resources in a speculation of that kind?

CONGRESSWOMAN FERRARO: We went to contract early in, I think it was the end of 1977, the beginning of 1978. But, let me -- there are two pieces to that.

First of all, my husband has always invested in anything I wanted to invest in real estate until I got into Congress. Then, I invested in bonds myself, separately, and apart from his business.

The second piece is that I didn't think my campaign, quite frankly, would be that costly.

I had two people who promised to raise money for me. I had one lawyer who said to me, "I will raise $250,000 for you."

I had another person, a labor person saying, "I will raise $50,000."

I went home. I said to my husband, "You know, if these people come through with half of what they promised -- Queens County has never had a campaign that was very expensive. We'll be okay."

So, I never -- when I got started in this whole thing, running for election, I never thought it was going to cost me not only $130,000 in property that I owned but that I was going to have to scrounge around between September and December to raise another $40,000 and to spend a couple of years paying off those debts that I had incurred on myself.

It was a big -- I never thought that would happen. I never thought -- I can give you a speech as to how hard it is for women to raise money to run for election. I'll spare you that to another time. It was very difficult but I did not anticipate that it was ever going to cost me as much out of my pocket as it did.

VOICE: How badly do you think the Democratic efforts have been hurt by this issue and, secondly, do you harbor any resentment against the Press for the way the issue has been covered?

CONGRESSWOMAN FERRARO: How badly? I don't think badly. I truely regret that this has been in the forefront for the past couple of weeks.

I just came back from the most wonderful trip out to California and Oregon and Washington State.

I want to tell you that it's a beautiful country.

We were discussing the issues. People were so enthusiastic; nobody knew it except the people out there because this thing, this has been in the headlines for weeks.

I regret that. We are ready to move on in the campaign; get it done today, I hope.

Everybody will get their questions answered and we will move out by Sunday, which is my birthday, and we will start a New Year and get this all out in front to the American public.

Now, you have to remember, and I'm sure you dc, that I'm a bit of a phenomenon. I am the first woman running for national office. I expect there will be a lot of attention focused on that.

We may, during the course of the next couple of terms that we are in the White House, figure out how to deal with women in this type of situation.

VOICE: With respect to the expensive tax error in 1978 which now has cost you thousands of dollars, who furnished the original figures to the tax people? Where did that come from and how did it come about?

CONGRESSWOMAN FERRARO: The figures,

Jack Selger has indicated that he did it. What he did, again, I want one of the accountants to explain it.

VOICE: I would rather have you give the explanation.

CONGRESSWOMAN FERRARO: I would, but I don't want to get myself involved with a tax statement.

Irwin, come up and explain it?

MR. ETTINGER: As we said before, the figures were furnished by Ms. Ferraro and her husband.

The error that occurred was due to the fact that the assumption of the mortgage on the sale was not taken into account when the tax return was prepared by her accountant.

This resulted in the income we filed the amended return on.

CONGRESSWOMAN FERRARO: The error was in the procedure applied by the accountant, not the figures.

Do you understand that?

You are right, it is an expensive error. I painfully sent out a check yesterday for

$53,000 and some odd dollars. It's hard to run a check of that size.

VOICE: In view of the fact that your husband's return and your tax return look very good, in fact, can you explain the reluctance of your husband to make those tax returns public in the first place?

CONGRESSWOMAN FERRARO: I will tell you what he told me. He felt it was his business. He is a very private person. He is not the candidate; I am.

We got through a whole discussion and he felt the furor that was caused by the Press, his reaction was, "Geri, I don't want to hurt you. Here they are." I'm glad they are out.

VOICE: On July 24th, you said (Unintelligible.) not only that he was going to provide his tax returns but that he had agreed to provide them.

Then, later on (Unintelligible.) you had not consulted with him.

Now, which was the case and when did you consult with him and what did you say when you consulted with him?

CONGRESSWOMAN FERRARO: Let me suggest to you that we put out that statement because you kept on getting -- things started moving quickly in Washington.

We said, "We have got to put out a statement." It was an erroneous statement.

I had not -- he had not told me that he was going to submit the tax returns.

VOICE: Who agreed that extensive exposure was required because of your office?

CONGRESSWOMAN FERRARO: No. We had both agreed that full disclosure be made available. He was going to disclose certain financial data which he did.

His statement of financial worth, not only that but also we were going to give the amount of tax paid.

It was just his tax returns that he is -- he was still going to give that.

VOICE: You had talked about that after your nomination?

CONGRESSWOMAN FERRARO: Yes.

VOICE: To second guess your husband's

business.

Now, what about his borrowing money as the conservator --

CONGRESSWOMAN FERRARO: Let me suggest to you that --

VOICE: Were you aware of that before it happened?

CONGRESSWOMAN FERRARO: That matter is on for a hearing before Judge Kassoff in Supreme Court, Queens County on Thursday.

That is the place where full discussions should be on that issue.

MR. SMITH: Ms. Ferraro, Jack Smith, ABC News.

You have explained about the exemption.

Can you tell us if you ever had to fill out one of those Forms again, would you take the exemption?

CONGRESSWOMAN FERRARO: Let me -- I will not -- I will never have to because I had to give up my seat in the House in order to accept the nomination.

It's the kind of question that I really have to sit down and think about. What I would have to do in order to fill out that Form is really to learn a tremendous amount about my husband's business.

You see, the whole purpose is to keep those things separate and apart. I would have to learn a lot. I have learned a lot in the past week that I didn't know before.

I would have to learn an awful lot about his business.

Had I been in Congress, I would have continued to take that exemption. Again, we did notify the F.E.C., the Ethics Committee. I laid down that I was claiming that.

VOICE: You said you didn't anticipate your campaign being cash poor at the time you purchased that property.

Your statement is that you purchased it on May 1st?

CONGRESSWOMAN FERRARO: We closed. The contract closed on May 1st.

VOICE: That was the final purchase date. The campaign reports indicate that your first unlawful --

CONGRESSWOMAN FERRARO: Wait a minute?

Press Conference

It didn't beome unlawful or improper until Primary Day. Let's be -- it was -- you can lend it as long as you pay it back by the day of Election.

VOICE: A loan is a contribution. The limit was $1,000.

CONGRESSWOMAN FERRARO: Only when it is a contribution and only when Election Day occurs. If we had paid back -- had I known, had I known that on Election Day, on Primary Day, those loans would become improper or illegal under F.E.C. law, had I known more than one or two days before Primary Day election, had I found out in June, I would have sold my property, paid for the loans and never, never had a problem.

They did not become improper and illegal until September so that --

VOICE: Who told you that?

CONGRESSWOMAN FERRARO: That's the law.

VOICE: The law is a contribution, a loan, gifit or anything of value.

CONGRESSWOMAN FERRARO: Only if it is -- where are my lawyers? Come over here.

point? Tell me your point?

VOICE: It seems that the point was that you didn't anticipate needing money for the campaign and yet a loan of $25,000 to the campaign was made by your husband only nine days after this disclosure.

CONGRESSWOMAN FERRARO: So, what is your point?

VOICE: It appears you anticipated needing the money.

CONGRESSWOMAN FERRARO: When I was told that people are going to raise $250,000 or $50,000, I figured they would do it.

Did I anticipate that we would raise it the first day? No.

Did I expect to pay back any loans? Of course, I did; absolutely.

VOICE: The answer is that a loan to the extent it remains unpaid at any time if it exceeds $1,000 is improper.

MR. REYNOLDS: Even up to today, if it's an unpaid loan.

CONGRESSWOMAN FERRARO: Let's have a female ask a question?

Somebody come over and explain the law.

Mel?

VOICE: A loan isn't illegal until Election? Is that your understanding?

CONGRESSWOMAN FERRARO: You can lend it to a campaign. When the -- it becomes a contribution on the day -- hold on and I'll check it out.

Wait a minute?

VOICE: While they check it, I have a question. We will come back to it.

You said a moment ago that you didn't anticipate a cash poor campaign.

On March 1st, the deal was closed -- May 1st, according to your statement, the deal was closed on the property.

On May 10th, according to your campaign finance report, your husband lent your campaign $25,000 and another hundred thousand dollars between that time and August.

If in nine days you developed a need for $25,000, couldn't that have been anticipated prior to the closing of this deal?

CONGRESSWOMAN FERRARO: What is your

Press Conference

VOICE: This controversy over your family finances, members of your staff that were interviewed said that the advice on the loan was given by Mr. Stein in an informal meeting, a pre-campaign meeting.

It was a cocktail party atmosphere.

Was that the only time advice was sought on the loan and what did you know about Stein before he came to advise you?

No one seems to know where he came from. How could you depend on his advice?

CONGRESSWOMAN FERRARO: We know about Mr. Stein. I don't know when he first came into headquarters, but he came and he had -- he came in to volunteer. He was a lawyer.

If you have been around campaigns, lawyers frequently come in and say they want to volunteer and help. We do accept their help. It's in kind contribution.

VOICE: Was that the only advice --

CONGRESSWOMAN FERRARO: Wait a minute, please?

When he came in, he told us that he was a former F.E.C. lawyer and it was, like, manna from Heaven. It was just wonderful that this person knew the law so we invited him to a meeting at my house.

At that meeting there were, at least, I would say between eight and ten and twelve people at that meeting.

I and my husband, along with Dave Blankstein (Phonetic.), my campaign treasurer, Carmen Parisi (Phonetic.), Pat Flynn who worked with me in the D.A.'s office.

There were numerous people there. David Stein -- I don't know where you got that it was a cocktail party. It was a business meeting. We were sitting down and talking. Maybe he had a drink, but it was a business meeting.

We were sitting around the living room; some on the floor and some on the chairs.

Now, David Stein gave us the information. I think I had the right to rely upon a lawyer who put himself out as an expert on the election law.

Did I do a background check? No.

VOICE: You didn't know that he was --

Press Conference

(Unintelligibile.)

CONGRESSWOMAN FERRARO: I found that out about two weeks ago. I didn't know that he had been asked to leave the F.E.C.

VOICE: Why did you seek additional advice before you filed?

CONGRESSWOMAN FERRARO: Say that again?

VOICE: You met the man once. You received his advice and -- (Unintelligible.)

CONGRESSWOMAN FERRARO: I want to tell you this: I met the accountants for Arthur Young a week ago Saturday.

You know, they hold themselves out to be experts and I sure hope they are.

I'm only kidding, guys.

VOICE: Even if the voters concluded that there was nothing factually damaging in your tax returns and financial information, are you fearful that the way in which this has been handled, a change of heart by your husband and the delays in releasing the information may end up giving people a bad perception of your competence?

CONGRESSWOMAN FERRARO: I don't believe

so. First of all, there was no delay in the release of information. Yesterday was the day under law that we were required to file. We met the filing deadline.

Did I take advantage of the full amount of time the law allows me? Absolutely.

Why? Because I wanted to make sure this time it was absolutely right that we don't have any errors. That's why.

I hired -- this is at our own expense -- a very fine, one of the finest in the Country, accounting firms who are not one of the most expensive, but you know that's out of our own pocket.

We want to make sure it's accurate. We saw how busy they were up to the last minute in order to make sure the information is correct.

As far as competent, I don't think this goes at all to that because if you take a look what I did is what millions of people do, rely upon the experts.

I relied upon my accountant. I relied upon a lawyer. I am entitled to do that.

You hire them to do that and that's why they are there.

VOICE: The accountants say that P. Zaccaro is run informally without records of some partnerships as in the Second Grand Company loans.

As an officer and third stockholder, Do you agree that this is the way the business is run?

Do you believe, as a tough-minded prosecutor, it should be run this way?

CONGRESSWOMAN FERRARO: I did not know how the business was run. I found out this past week and a half.

It is a small business. I assume that there are lots of family owned businesses that are run the same way.

He does not have a battery of accountants and lawyers. Our accountant is a sweetheart and he was with my father-in-law and my husband for something like four years.

You know, I think it will be run differently now and, in fact, I'm sure of it. We have gone through a very rough period of time.

Press Conference

My husband is a man of integrity and honesty. That's all.

VOICE: How much will it cost you?

CONGRESSWOMAN FERRARO: I wrote out one check yesterday and I'm not about to want to find out how much this will cost me.

I assume that in good time I will get the bill.

VOICE: Ms. Ferraro, given the full disclosure of your family made without releasing more information on the family corporation where most of the business is actually conducted (Unintelligible.)

CONGRESSWOMAN FERRARO: The thing is, you are losing sight of the purpose of the Ethics Act.

The purpose of the Ethics Act (Paper handed to Congresswoman Ferraro.)

Wait a minute? I will get back to the purpose of the Ethics Act.

"Geri, you confuse New York State law and Federal law. You are correct on New York State law. State and local campaigns but not Federal office, which is your question. Those loans in a State election do not become improper or illegal until the day of the election. It is different in the Federal."

My apology to whoever asked that question.

The purpose of the Ethics Act is to determine whether or not I have any conflict of interest.

I think that with the information that we have disclosed, people are capable of seeing whether or not I would and I think looking over the history of my time in Congress, they can determine whether or not I fulfilled my obligation to the American public.

VOICE: Ms. Ferraro, the Republicans in Dallas are saying this really goes to Mr. Mondale's judgment.

Obviously, you were not well briefed or he did not do a good job of containing or controlling the situation.

Do you believe you were well briefed? Can you tell us about your contact with Mr. Mondale in the past week especially?

CONGRESSWOMAN FERRARO: Sure. First of

Press Conference

all, what would you expect the Republicans to say? They are going to attempt to attack Fritz Mondale but remember one thing, that again I will repeat that this is a very unusual situation. There is no way that Fritz Mondale, if he were going to exercise the leadership he did and look to the future for picking a woman to run as his vice presidential candidate, there is no way that you can anticipate what would be expected of that woman's spouse and, you know, just how much that spouse would get involved in a small business. There is no way, none of us could have, none of us could have.

My conversations with Vice President Mondale over the past week have been incredible in that he has been very, very supportive.

He did not pressure me nor did I pressure my husband to release the returns. That was my husband's decision.

I think Fritz Mondale has indicated that publicly, he indicated to me privately that he has confidence in me and in his choice.

I feel badly that, again, we spent two weeks being distracted by this whole thing and I want -- I want to campaign as hard as I can for the next two months so that we can win in November.

VOICE: Ms. Ferraro, do you feel it's appropriate to withhold the partnership returns which had not been released (Unintelligible.)

Does it come out to you (Unintelligible.)

CONGRESSWOMAN FERRARO: Oh, come on. How much do you want?

VOICE: You said all along that you only have one share of stock in the company but you didn't say that there are only two more outstanding depending on which document you read.

Was that an attempt to deceive or downplay your role?

CONGRESSWOMAN FERRARO: Oh, you know better than that. I have no intention of deceiving anybody.

I wouldn't have released, not only the amount I did but I released more than anybody has released in the history of the Country.

My husband was a private citizin and has released his tax returns for the past six years.

VOICE: Which would -- (Unintelligible.)

VOICE: What about the other 420 members of Congress, haven't they released their information about their spouse's by checking a different box on the Form?

CONGRESSWOMAN FERRARO: No. As a matter of fact there are about, I think the number is like 16 members who have checked the same box as I did.

They have claimed the same exemption.

VOICE: How about the 400 and --

CONGRESSWOMAN FERRARO: Wait a minute? I believe 50 claim, who don't check anything at all, don't claim an exemption; just don't file a disclosure form for a spouse even though some of them are married.

VOICE: I would like to ask you --

CONGRESSWOMAN FERRARO: Aren't you going to allow me to answer that question since you interrupted my last answer?

I will finish answering your question if you will allow me.

VOICE: Then, answer it.

(Whereupon, the crowd gave its disapproval.)

VOICE: Will you get back to my question? What about the one share versus the two shares; the knowledgeable disclosure of a partnership?

CONGRESSWOMAN FERRARO: Again, the partnership that my husband is involved in is absolutely, has nothing to do with me. I have not -- I have absolutely no interest in any of the partnerships.

In my partnership business, either, did I derive any benefit from it so that is a piece beyond.

I think the point is, again, going back to the purpose of the law, whether or not there is a conflict for me so that I would not be able to do my job properly. I have no interest in it. It's a partnership, separate and apart.

Now, we also have to focus on the fact that I am, again, I am a candidate, not my husband. I think that's what has to be kept in mind.

VOICE: Do you acknowledge that this tax controversy has set back, so far set back Mondale's efforts to win this race?

CONGRESSWOMAN FERRARO: It has not been a thing -- let me put it this way: I don't think it has set us back. The people we were with when we did the rally in Seattle last week, they were -- well, I'll give you a figure because the figures ran from 10,000 to 18,000 at that rally.

There was one sign I saw -- you always catch the sign that says the negative about what have you got to hide.

Obviously, we don't have anything to hide but it has not been positive and that's why I want to get it all out in the open and move out.

I am anxious to campaign. I want to focus on the issues in the campaign.

It's not my tax returns. They are out. The issue is not whether or not we paid our fair share of taxes. We paid more than our fair share.

VOICE: Do you feel at this stage that you are an asset or a liability to Mondale? Are you still waiting to see?

CONGRESSWOMAN FERRARO: I consider myself an asset. I consider us a winning team. We will invite you to the White House in January.

Now, I want someone who didn't ask a question before, to ask a question now.

VOICE: In your 1983 Form, you said income from bonds was between 50 and $100,000 and yet there is no listing of that income in your 1983 tax return.

Can you explain that discrepancy?

CONGRESSWOMAN FERRARO: Irwin?

My tax return is correct according to the accountant.

The bonds that I had evidently were tax free and --

MR. ETTINGER: It's a simple mistake

that was made in the box by the accountant.

He checked the wrong category.

CONGRESSWOMAN FERRARO: The correct one is the category that is consistent with the tax returns.

What they are doing, in addition to having gone over my 1978 tax statement, they are going over all of them to see if there are any errors and also going over the disclosure Forms that I filed with the House over the past several years.

Those are all prepared by the same individual. They are being checked by our accountants. If there are any inconsistencies, we will make corrections but they are checking through each of them. They have them and they will go over them.

There will be other errors, I'm sure.

VOICE: How did you raise the funds for the $53,000 check that you mailed yesterday?

CONGRESSWOMAN FERRARO: I called up my brother yesterday morning. I gave him a sale order and inside of one hour, which makes it a lot easier when you own property, I sold my bonds. I sold $70,000 of it, whatever the total number of the bearer bonds that I had. It hurt.

The money was immediately sent to my account in the House. I ran a check, wrote a check last night and mailed it out.

VOICE: How about the other $17,000 owed?

CONGRESSWOMAN FERRARO: I don't know if it's -- it's about $17,000 that we owed the City and State taxes on so they will be preparing the tax forms.

I will have a check available for each of those two governmental agencies to pay off the back amount of taxes owed.

The lady with her hand up?

VOICE: Ms. Ferraro, when are you going to go back to the campaign trail?

CONGRESSWOMAN FERRARO: I will go back tomorrow. We are going down to Washington to give a speech to the A.F.T.

On Friday, I am flying to Birmingham, Alabama.

On Saturday, I'll be on the Island and

Sunday is a day that we will have some sort of celebration for my birthday.

VOICE: Concerning the sale of the property that was sold to pay back the campaign, you talked about the explanation of yourself and your husband's affairs.

Could someone else other than your husband have scheduled the sale of that property and, if so, why didn't you use them?

CONGRESSWOMAN FERRARO: I'm sure they could have but there is no reason I would go to another real estate broker other than my husband.

One is because he is my husband, an honest man and secondly, I don't pay him a brokerage fee.

VOICE: Since 1979, in your application for renewal of the broker's license that you and your husband failed to inform the New York City Department of Insurance that you were fined by the Federal Government?

CONGRESSWOMAN FERRARO: At that point we were not -- there had been -- I'm trying to get the dates of that but -- when we filed a renewal application, the Insurance Department in the box where we indicated that criminal action by an agency, at that point we were in a process of working out a conciliation agreement with the F.E.C.

Neither one of us considered the type of action that would fall within that designation especially at that point because there had been no determination by the F.E.C.

Now, two years later they did not consider -- we settled this thing.

VOICE: When you said earlier today that you told your husband, "Get anything you can for that property at 231 Centre Street," when you had to sell the assets to pay back the loan, it turns out that Manny Lerman and your husband had decided that the property had appreciated from $175,000 to $325,000.

Would you characterize yourself as being surprised, startled, aghast or suspicious when your husband reported that selling price to you?

CONGRESSWOMAN FERRARO: How about none of the above?

Press Conference

Let me suggest to you first of all that when the property was sold, and we are going back, market value at that time was what I got for it but, more than that, if they wanted to do -- why would I have to sell my property as well? I got only a hundred thousand. It's not a bad profit I must admit but it was sold, as you know, a little over a year and a half later for an additional amount, an additional $50,000.

If I held onto it later, I would have made more money.

I was neighter startled or any of the adjectives that you used.

My husband is a very good businessman.

VOICE: Is this a perception that you brought some of this upon yourself by promising to release more than you had to release?

CONGRESSWOMAN FERRARO: You are right.

VOICE: Then, having to backtrack and saying, "I am sorry?"

How did you get to the point where you are sitting in front of these cameras, and this has now become a major issue?

Press Conference

CONGRESSWOMAN FERRARO: You are right; I did. I probably brought it upon myself by promising more than I was able to deliver as far as seeing my husband's tax information.

But, I delivered it anyway.

VOICE: Since you are the first and (Unintelligible.)

If Mr. Mondale had chosen a male with a wife in the real estate business, do you think there would be the same kind of clamor?

CONGRESSWOMAN FERRARO: I don't know, but I think that it's something that we are going to see more of.

More and more women are entering into the professional world. More and more women are operating on a professional level such as I have. More and more women are running for office and, eventually, more women will be running for national office.

This is the beginning of a phenomenon. It's not the end. I think we will have to adjust to it. I think eventually we will have more women who are professionals and you are right, it would have been easier if my husband worked for a corporation, say 9 to 5.

It becomes a bit of a thing when you have a small businessman involved.

VOICE: Do you think there would have been as much trouble if you weren't Italian and if your husband weren't Italian?

CONGRESSWOMAN FERRARO: About this financial stuff?

VOICE: Yes.

CONGRESSWOMAN FERRARO: No.

VOICE: Who owns what property? Last night Pat McCannon (Phonetic.) said to your husband, "John, why don't you get out of that rotten business of pornography?"

CONGRESSWOMAN FERRARO: My husband is in the real estate business.

VOICE: Ms. Ferraro, on this David Stein, I have talked to your former campaign manager, Dave Weinstein (Phonetic.) (Unintelligible.) after the campaign was notified that over $100,000 loan was illegal, you made no effort to contact Dave Stein seeing that this was advice by a former attorney with the F.E.C.; that $100,000 loan was illegal.

Wouldn't it be normal to contact the person who gave that advice and seeing that you have nothing to hide? Do you --

CONGRESSWOMAN FERRARO: Please let me answer one portion of your question?

With reference to David Stein, remember that that individual was given to us early in the Summer. I don't know if he was at all involved with the campaign. I don't really remember him being there but we found out and, what are you going to do? The man had come as a volunteer.

I don't think he was venal. I don't think he deliberately gave us bad advice. He just gave us bad advice. What do you do? Do you go after him?

VOICE: Also, wouldn't you immediately cite this to the F.E.C.?

CONGRESSWOMAN FERRARO: We did and in the F.E.C. -- when both my husband and I went down to find out who made the statements about improper loans and my financial claim, they both cited that they had been given this

Press Conference

information that was incorrect by David Stein. That's in there.

VOICE: Those are F.E.C. documents dated February 9th. You were notified on December -- September 21st (Unintelligible.)

We haven't been provided with the letter.

CONGRESSWOMAN FERRARO: You don't think we made up the story last week, do you? It's been there. It's in the papers.

There is no reason for us to go after somebody who -- we are not that type of people. We got some bad advice in this thing and do you hurt people because of that?

Dave Stein didn't come back and say.

VOICE: David Stein issued (Unintelligible.)

Now, David Brinkley seems to suggest that he is saying that he was a malicious lier or something like that.

CONGRESSWOMAN FERRARO: I didn't characterize it as malicious. It was inaccurate.

VOICE: (Unintelligible) -- contacted David Stein, he didn't want his name used on the air.

What did you hear at the meeting? Why do you think this guy would come out with it after six years?

CONGRESSWOMAN FERRARO: Let me suggest this to you: There were lots of people at that meeting. They had given sworn statements with reference to exactly what occurred at that meeting.

You have all of us with one view and Dave Stein with another.

Secondly, if you look at the circumstances surrounding the whole thing, I reported those loans to the F.E.C. I hid nothing. That's another piece.

The third piece is why has he surfaced now?

I would suggest if I had not gotten the nomination, he would never have surfaced.

I have gone through two campaigns since that one and it was never raised in 1980 and never raised in 1982.

VOICE: We never knew he was involved. David Stein never knew he was involved in the

1972 case until two weeks ago.

CONGRESSWOMAN FERRARO: What is your point?

VOICE: The tax law says, "A corporation is one that is elected by unanimous consent of its shareholders not to pay any tax on its income."

It said (Unintelligible.)

Do you remember formally making that unanimous decision? Did you participate in it, if you did and when and if you didn't, why not?

CONGRESSWOMAN FERRARO: No, I didn't make that decision.

VOICE: On the bonds that you reported -- on your bonds that you reported to Congress, you are seeking a minimum of $50,000 in interest in bonds valued at a maximum of a $115,000.

That would indicate an unlikely interest rate of 15-percent.

We were told by a spokesman from your campaign that this was a mistake.

Can you tell us if it was a mistake and

how it occurred and why it occurred the second time and, one other thing --

CONGRESSWOMAN FERRARO: Let me suggest to you first, if you can get $50,000 interest on bonds that were worth between $30,000 and $100,000, you have got to know that it's a mistake.

VOICE: Whether it's a mistake or not, why did it happen?

CONGRESSWOMAN FERRARO: You know, -- did it happen twice? I don't know.

VOICE: Yes, it happened twice.

MR. ETTINGER: It's a simple mistake. He checked the wrong box. He should have checked the lower box, the asset holding of the box, the income box was overstated.

VOICE: Ms. Ferraro, you reported being the sole owner of four contigous lots in Fire Island.

Wasn't this reported in the Congressional disclosure?

CONGRESSWOMAN FERRARO: You don't have to report personal -- your home, and that's part of my home.

Press Conference

VOICE: Will you tell us about your association with Mr. Lerman and why did you and your husband decide to invest in these two properties in early 1978?

CONGRESSWOMAN FERRARO: You are going back to things that occurred in 1974.

Let us understand the whole discussion that we are focusing is the financial holdings from 1978.

Why I went into business with Mr. Lerman is hardly germane to this discussion. What they have been since are absolutely nil. I have had no business with him.

He has business with an associate of my husband's on several things that I found out recently but I don't have any business with him.

VOICE: Considering that you only have about two and a half months left in this campaign, and with these financial affairs being discussed, does it alter the fact that President Reagan shows to be ahead of you, isn't two and a half months too little time to turn it around? Can you put this behind you?

Press Conference

CONGRESSWOMAN FERRARO: I expect this will turn around very, very shortly.

I expect, that's why we are sitting here for this length of time but I want to answer all your questions today and get them out of the way and then we will start to discuss the campaign.

You know as well as I do that national campaigns don't start until Labor Day.

I'm hoping that President Reagan will agree to debate Fritz Mondale, six debates and then the people will understand precisely where both of those men stand on the issues confronting this Country.

I hope George Bush agrees to a debate or two with me with reference to the issues facing this Country.

By November, those polls will be something different.

VOICE: Without commenting about the court case that is coming up on Thursday in Supreme Court in Queens, can you tell us how your husband was appointed to this conservatorship?

Press Conference

Did it have anything to do with any friendship that your family may have with judges?

CONGRESSWOMAN FERRARO: No. I can't tell you about that. I don't know about that business. I do not know how his appointment came through.

VOICE: What was your involvement with --

CONGRESSWOMAN FERRARO: Didn't you ask some questions before? Be honest.

VOICE: I did but I would like to know what was your involvement with P. Zaccaro --

CONGRESSWOMAN FERRARO: Just once around the line, please?

VOICE: They got a very generous mortgage on that property. It calls for no payment for several years.

CONGRESSWOMAN FERRARO: Do you know anything about it?

MR. ETTINGER: No, I don't. I don't know about it.

MR. REYNOLDS: I will have to look up the document.

CONGRESSWOMAN FERRARO: He can look it

up.

VOICE: Did this strain your relationship with your husband at all because of this financial disclosure and statements?

CONGRESSWOMAN FERRARO: We have been married 24 years. I expect to be married another 50. No, there has not put a strain on my marriage. We have a very strong marriage. We are very close.

John made his decision on his own. He did it because he didn't want to hurt me. No husband has done more for his wife than he has for me in the past couple of weeks.

VOICE: Has there been an authorized signatory for fees? (Unintelligible.)

CONGRESSWOMAN FERRARO: No. I was listed on one of the papers as treasurer. I have never ever had authority to sign anything, any checks or anything else.

VOICE: Does it seem proper that a treasurer of a corporation does not sign any checks or have any dealings --

CONGRESSWOMAN FERRARO: Yes, it would seem that way except that I have not had that authority.

What happens is -- I was an officer of the corporation and, again, you have to understand that this business, the officers, you put down vice-president.

It's sloppy, I grant you but you don't know -- I never had any authority to sign checks and I had no authority to as far as the corporation is concerned.

VOICE: Since you had little financial knowledge about a corporation in which you were a corporate officer, what assurance do Americans have that you will take a financial interest in the affairs of the United States?

CONGRESSWOMAN FERRARO: The purpose of my being an officer in that corporation was merely to keep two licenses alive, the insurance license and the real estate license and, in an emergency and, again, I'm speaking about the death or disability of my husband, that I would be able to go in and take charge and would be able to support my children, my mother and my mother-in-law. That's why I was there.

Press Conference

As far as my position as Vice-president of the United States, this is a job in which I will take a very active interest just as I have as a member of Congress, taking a very active interest in my role there.

I have a record that the American public can look at.

I also have an approval record from my constituents. The last time I looked, it was 73-percent that thought I was doing a pretty good job as a member of Congress.

You must understand that I have a full job as a member of Congress. I also consider myself a wife and mother as being very important. I was not about to take another third career. I physically could not do it. Also, there was just not enough time.

When I am elected the Vice-president of the United States, I will do that job extremely well.

VOICE: Concerning the property at 200 Lafayette Street, your husband has indicated that everything possible would be done to (Unintelligible.) and that Rosenberg and

Estis has been investigating the business of that company.

The lawyers have indicated that if there are any convictions with regard to that company, that they would be evicted immediately.

The public records indicate that in 1981 in Miami Federal Court, two principals of that company were charged for (Unintelligible.) across state line.

Why has not more been done sooner to evict that company?

CONGRESSWOMAN FERRARO: Let me suggest to you that I don't know the details of the situation but let me talk to you as a lawyer.

When a lease is made, -- well, you have to see if there is a violation of the lease before you can evict someone for violating that lease.

Do you have any other information on this, Mel?

It would seem to me that if they are performing according to the terms of the lease, whatever is going on, then there is no grounds to evict them. I don't know any landlord in this Country who does a background check on every tenant who goes into their building.

Even if they did, whether or not they had a criminal conviction, you would be able, under the Constitution, to deny them rights to a lease?

I don't see how it is possible. I don't think you will be able to do that. Is that correct? All right. It would be an impossible thing to do.

The fact that someone has a criminal record does mean you can discriminate against them for the rest of their lives?

VOICE: We have not discussed the fact that you have paid -- you list as, you and your husband have paid (Unintelligible.) 40-percent of that.

In other words, you listed $173 as a gross income on which you pay 40-percent tax.

CONGRESSWOMAN FERRARO: We pay our taxes separately.

VOICE: Taking them in gross (Unintelligible.)

CONGRESSWOMAN FERRARO: Can one of the

accountants come up?

What are you referring to?

VOICE: How much of your income -- you paid 40-percent of your income in taxes. What do you have left to live on?

CONGRESSWOMAN FERRARO: You figure it out. You have the figures.

VOICE: You have about $80,000 a year to live on.

CONGRESSWOMAN FERRARO: I don't know. You are not counting savings that we might have or things like that.

What is your point?

VOICE: The point is, basically, if you had about $80,000 a year to live on --

CONGRESSWOMAN FERRARO: I don't know if that's a fact.

VOICE: I'm trying to see how you maintain three homes and put the children through college on what was left out of the basic income of $173,000.

CONGRESSWOMAN FERRARO: I don't think you are accurate with the amount of money.

First of all, remember that two homes

that we have are homes we bought in 1961 and 1965. They are totally mortgage free.

I don't know if the amounts are right. That's net.

Now. living on $80,000 is not exactly living in poverty, is it?

VOICE: In the statement passed out yesterday in Washington, referring to the 1978 transaction, the statement that your campaign people passed out yesterday, it said that your husband bought the property from Mr. Lerman not knowing that he legally couldn't have bought it from you.

Does it mean that he was trying to do something that he didn't think he could do legally?

CONGRESSWOMAN FERRARO: No. What he believed is that he had to go through a third person. I believe he thought it was perfectly legal.

VOICE: (Unintelligible.) and to the question of the insurance application.

Don't you consider the negotiated penalty of the F.E.C. fine.

Why didn't you in 1981 and 1983 negotiate the penalty?

CONGRESSWOMAN FERRARO: Well, 1981 was two years after that, more than two years after that. It was just -- who knows? It was not picked up. It was not -- the purpose of that application was to see whether or not there was anything that could affect our ability to do business in the State of New York as insurance brokers.

It was not. It was the typical thing.

VOICE: If you are campaigning on an anti-crime platform, will it be affected by all of this?

CONGRESSWOMAN FERRARO: No, I don't think so.

VOICE: Last night's statement saying that your total assets of 3.8 million dollars -- well, there is nothing wrong with that but is that going to alter your message to blue-collar voters and the traditional constituency voters of the Democratic Party?

CONGRESSWOMAN FERRARO: No, it's the combined assets.

Press Conference

All of my assets have been separate since I have been a member of Congress. My assets are considerably less and considerably less after I wrote my check yesterday.

Our assets include two homes which have appreciated in value tremendously since we bought them in 1961 and 1965.

I think that what you are saying is that people who have worked very, very hard and we have, we have lived -- well, we are not flashy. We are people who buy property, houses and when we bought them, they were a heck of a lot cheaper than they are now.

We have maintained and cared for them. They are worth a lot more and that's what this Country is all about. It's what it's all about.

I can go out and speak to blue-collar workers. My mother was one. I was fortunate because she gave me an education and I have been able to move ahead and do so much more.

I am perfectly comfortable bringing that message out to people in this Country. That's what America is about: If you work hard, it's there for you.

But, remember, my assets are nowhere near that particular figure.

VOICE: Ms. Ferraro, you made quite a point and properly so that you pay a fair share of taxes. That was the message, one of the messages of your personal income tax returns and that's the reason for the interest in the corporate returns.

How do we know that you pay, you and your husband pay your fair share of corporate taxes without those particulars?

CONGRESSWOMAN FERRARO: I think what you do is just look at our assets and find out what they are made up of.

Most of them are appreciated properties. You can figure out that we are paying our personal and fair share of taxes in others as well but, again, you are missing the point of this disclosure.

VOICE: No, no. You made the point.

CONGRESSWOMAN FERRARO: Then, let me go further.

The purpose of the disclosure is to see

whether or not there are any conflicts, whether I can do the job and have done the job as a member of Congress.

I think my record itself is there for the American public to see.

VOICE: There is a headline in today's Post, "Geri still on the grill."

What has been going on a lot of the time? Did the thought ever occur to you that, "Maybe I shouldn't have said yes to Walter Mondale?"

CONGRESSWOMAN FERRARO: Oh, no, no. This goes with the turf.

Hopefully, Geri will be off the grill.

VOICE: At the risk of being redundant --

CONGRESSWOMAN FERRARO: If it is, I won't answer the question.

VOICE: With regard to sub-chapter S corporation, I have a question about it.

The law says that unanimous consent of the shareholders is required to get certain cash benefits.

You said you did not consent to it, so you run afoul of that law. Would that be

Press Conference

constructive knowledge (Unintelligible.)

I want to see how the conflict arises?

CONGRESSWOMAN FERRARO: The purpose of the law is to protect shareholders. The three shareholders are, well, two are mine and my husband.

Where is the violation? That is with reference to large corporations, that law.

That is my husband and myself making a decision. My husband making a decision and my saying, "Okay," with reference to that corporation. Nobody else is involved.

The law is meant to protect shareholders that are multiple in nature.

VOICE: Was it a technical violation?

CONGRESSWOMAN FERRARO: I am not going that far to say that it's a violation. It's not a violation unless you get a complaint; am I correct?

I have to get the corporate lawyers on this one.

MR. ETTINGER: What you are basically asking is a technical question.

We are still reviewing all the years.

The total income and loss past-thru has been about zero.

VOICE: My question is as to whether or not, if she did unanimously quote, then that takes you back to the Congressional disclosure problem as to whether she disclosed, even though it's a sub-chapter S corporation.

CONGRESSWOMAN FERRARO: I didn't read it to mean that I should have to disclose that.

MR. O'BRIEN: Shall we go for another five minutes? If not, at least we have to take an intermission.

CONGRESSWOMAN FERRARO: Let's give it another fifteen minutes.

The President of the United States gives you a half hour conference or press conference with all the concerns of the world and I have given you over an hour and a half.

VOICE: What is your reaction to the Republican Convention? What is your reaction to their bringing in the women into the convention?

CONGRESSWOMAN FERRARO: I saw several

Press Conference

speakers last night. I think it's wonderful that we have open up opportunities for the women in the Republican Party as well.

I wish the speakers could have focused not only what occurred in the 1980 Election because that's what we are hearing about, but with relation to inflation and Iran and so forth.

We have heard nothing of the three years of the Reagan Administration from 1980 to 1984 and we have heard nothing about what the Republicans are going to plan for the future of this Country over the next several years.

I would like to see a little more focus on the present; not the past because this is not a rerun of the 1980 Election.

VOICE: The (Unintelligible.) your tax return doesn't show any property tax on that form.

CONGRESSWOMAN FERRARO: That is my property. My husband has paid the taxes on that property.

VOICE: Ms. Ferraro, can you tell us in 1978 where the money came from that you

Press Conference

used to spend $25,000 to buy that property and you contributed $170,000 to the campaign?

Where did that money come from? You were an unemployed Congressional candidate at the time.

CONGRESSWOMAN FERRARO: No, wait a minute? Wait a minute. I had been working -- I had not been working for a month and a half but I had worked for four and a half years previous to that in the D.A.'s office. I was not a volunteer in that job. I was getting paid for doing it.

VOICE: Then, you came up with $25,000 to make a major investment so that (Unintelligible.) to give to the campaign another $40,000.

CONGRESSWOMAN FERRARO: Do you think a D.A. working there four and a half years can't accumulate $25,000? Are you implying that it's not possible?

VOICE: I don't know what is possible.

CONGRESSWOMAN FERRARO: Well, it is possible. It came from my personal funds. I paid for that property myself.

VOICE: The rest of the money you gave to the campaign -- (Unintelligible.)

CONGRESSWOMAN FERRARO: Let me finish?

The rest of the money I gave to the campaign, you are talking about $40,000 between September and November?

VOICE: The difference between $100,000 came from Lerman and the money for the campaign, where did that come from?

CONGRESSWOMAN FERRARO: I sold half interest in the mortgage to make up that $30,000.

I sold my interest in the property for $100,000 and half interest in the mortgage for $30,000 and then, after that, I also raised money for the general campaign and I borrowed $25,000 from the East River Savings Bank using a joint savings account as collateral for that loan and --

VOICE: And can you --

CONGRESSWOMAN FERRARO: Will you let me finish?

Then, I couldn't get a loan on my own. I couldn't get it based on my signature.

Press Conference

I even tried to mortgage my houses but found out that you couldn't do that because they are under my husband's name as well.

Now, we knew that would be a violation of the law but I went to the First Woman's Bank -- I give them a commercial whenever I can.

They were the only bank that gave me money on my signature alone. I paid that loan back, I believe, within a year.

I have opened an I.R.A. If you look at my statement you will see it.

I gave my business to them as a message of gratitude for helping me out at that time. It was a good business investment for them.

VOICE: Having lent your campaign a $170,000, how has that money been repaid to you?

CONGRESSWOMAN FERRARO: Slowly, slowly. It has been repaid over the past five and a half years by -- well, under the law if you have money leftover from your Congressional Campaign, as I did in 1980 and 1982, your subsequent campaigns can pay your first campaign. That has been done.

We have, also, over the past year or so, we have attempted to raise money to repay that loan. That has been done.

There is still an outstanding debt of close to $50,000 -- no, $51,000. It is still owed with that first campaign to me.

I would like to point out that if that $170,000 that was all interest free, that was when rates were very high.

VOICE: Are you embarrassed by the 1978 tax?

CONGRESSWOMAN FERRARO: Embarrassed? I was upset when I saw that they had been made and, secondly, when I found out the amount of interest I had to pay on it, I was more upset than embarrassed.

VOICE: In the future, do you plan to take a more active interest in those business affairs of your husband in which you are a corporate officer?

CONGRESSWOMAN FERRARO: I don't. I intend to remove myself as an officer?

VOICE: You do?

CONGRESSWOMAN FERRARO: Yes. I will not take a more active interest in his business affairs. It's his business. I can't do that.

I'm doing my job. I have two of them. I do my job as a member of Congress and I do my job as a wife and mother.

Those are my two jobs. I can do a third.

I will remove myself as an officer so that I am not in this position anymore.

VOICE: Should you not (Unintelligible.) that you have played?

CONGRESSWOMAN FERRARO: Remember why I am an officer. It's to keep the licenses alive for that corporation. That was the reason for it.

I am hoping my eldest daughter will get both of her licenses soon so that we can put her in the corporation. She can keep an eye on what is going on. She will be keeping the licenses alive.

It is a family business, remember. We don't want -- my father-in-law started it in

1935.

VOICE: Do you intend to sell that share of stock and, if so, to whom would you sell it?

CONGRESSWOMAN FERRARO: Oh, I would probably transfer it to my husband or daughter.

VOICE: You will sell it as well as quitting as an officer?

CONGRESSWOMAN FERRARO: Yes, I will.

VOICE: When will you do that?

CONGRESSWOMAN FERRARO: In fact, I think, we made out the papers -- we made out preliminary papers to do that.

VOICE: You are in the course of doing this?

CONGRESSWOMAN FERRARO: Oh, yes.

When we are in the White House, I will not have neither of them. I will not know the business, which I don't know now, but I will not own a share of stock. I will not be an officer of the corporation. Okay?

VOICE: Your recent disclosure statement, under the rules, if there is an interest in the property that barred you (Unintelligible.)

CONGRESSWOMAN FERRARO: I have no interest in the property. I was a creditor of the corporation. I don't have a mortgage on the property. I expect that loan to be paid back.

It was a 1984 transaction. It did not go on the Congressional Report.

VOICE: With regard to David Stein, when we talked about it before, there was no memory of Mr. Stein. It was blank.

Now, whoever contacted Mr. Blankstein and (Unintelligible.) he had a memory. He could give us all the details.

A polygraph (Unintelligible.) on the advice he gave. People were (Unintelligible.) meeting.

Would you encourage a partial investigation?

CONGRESSWOMAN FERRARO: David Stein can do as he chooses. Mr. Blankstein indicated that they have a recollection of the events. We had several people there who didn't remember as well. Evidently, he did.

I'm not going to urge anybody to do anything. The statements speak for themselves.

VOICE: You mentioned several times during this conference the purpose of the Ethics in Government Act was to prevent conflicts of interest.

Now, the requirements or the report of your spouse's interests, business interests is to do just that.

The State law requires that if you are an officer in a corporation that you participate in the Board of Directors meetings, a treasurer or vice-president, that you be involved so that you are not just a front for somebody else who is running the corporation.

You have a two-fold problem which I would like to ask about directly.

Are you telling us that you are just a front as an officer in the P. Zaccaro Company which means you might be in violation of the New York State Corporate Laws or are you telling us that you were involved, that you did play a role in the Board of Directors meetings, votes on matters that came before the Board and (Unintelligible.) whether it's your signature and what was the role, if you played a role, do you think you are in violation of the Federal requirements that you disclose your activities to prevent a conflict of interest?

CONGRESSWOMAN FERRARO: I've been sitting here close to two hours. I think I answered that question several times. I don't consider that I was in violation of the Ethics Act. I believe that I was entitled to the exemptions when I took them. It was absolutely accurate.

Thank you very much, ladies and gentlemen.

(Whereupon, the Press Conference was concluded at 2:50 p.m.)

HAND DELIVERED

UNITED STATES HOUSE OF REPRESENTATIVES
Office of the Clerk
Washington, D.C.

EXHIBIT NO. 29

ETHICS IN GOVERNMENT ACT OF 1978 (2 U.S.C. §§ 701-709)

FINANCIAL DISCLOSURE STATEMENT

Geraldine A. Ferraro
(Full Name)

22 Deepdene Road
(Mailing Address)

Forest Hills, N.Y. 11375

☐ Check if this is an amended Statement.

ID # MC
(OFFICE USE ONLY)

INDIVIDUAL REPORTING STATUS

(Check one only)

☒ MEMBER OF U.S. HOUSE OF REPRESENTATIVES—DISTRICT 9 STATE NY

☐ CURRENT OFFICER/EMPLOYEE/PRINCIPAL ASSISTANT—EMPLOYING OFFICE

☐ NEW OFFICER/EMPLOYEE/PRINCIPAL ASSISTANT—EMPLOYING OFFICE

NOTE: Requirements for new officers/employees/principal assistants differ substantially from those of Members of Congress and current officers/employees/principal assistants. Please read Instructions on reverse side carefully.

May 15, 1979
(Date)

(Signature)

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. See 2 U.S.C. § 706 and 18 U.S.C. § 1001.

RETURN COMPLETED COVER PAGE AND STATEMENT
(WITH 2 COPIES OF EACH) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

ETHICS IN GOVERNMENT ACT OF 1978—FINANCIAL DISCLOSURE STATEMENT

Name of Person Filing Hon. Geraldine A. Ferraro Page 1 of 1

NOTE: See reverse side for Detailed Filing Instructions and Exemptions. If additional space is required, use continuation sheets provided. Complete all parts. (If None, so indicate)

SECTION I

A. INCOME (including honoraria) from any source received during preceding calendar year aggregating $100 or more in value. Exclude income from current U.S. Government employment.

SOURCE	TYPE (salary, pension, honorarium, etc.)	AMOUNT OR VALUE
Queens District Attorney	Salary 1/1 - 4/1/78	$9,1[illegible]0
Private Law Practice	Fees	$7,000

B. INCOME from dividends, interest, rent, capital gains including trusts or other financial arrangements, received during the preceding calendar year exceeding $100 in value. NOTE: For Section I.B. indicate Category of Value: Category I—$100.01–$1,000; II—$1,000.01–$2,500; III—$2,500.01–$5,000; IV—$5,000.01–$15,000; V—$15,000.01–$50,000; VI—$50,000.01–$100,000; VII—Over $100,000.

SOURCE	TYPE	CATEGORY OF VALUE (I, II, III, IV, V, VI, VII)
Savings	Interest	II
Capital Gain	Sale of Property	V
Savings	Children	I

SECTION II

A. GIFTS of transportation, lodging, food or entertainment aggregating $250 or more in value received from any source during the preceding calendar year.

IDENTITY OF SOURCE	BRIEF DESCRIPTION
NONE	

B. GIFTS other than transportation, lodging, food or entertainment aggregating $100 or more in value received from any source during preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
NONE		

C. REIMBURSEMENTS received from any source aggregating $250 or more in value in preceding calendar year.

IDENTITY OF SOURCE	BRIEF DESCRIPTION
NONE	

NOTE: For Sections III–V below, indicate Category of Value: Category I—$1,000.01–$5,000; II—$5,000.01–$15,000; III—$15,000.01–$50,000; IV—$50,000.01–$100,000; V—$100,000.01–$250,000; VI—Over $250,000.

IMPORTANT—For new Officers and Employees Only: In Sections III, IV, VI, and VII, the Reporting Individual Should List the Information Required as of Date Not More Than 31 Days Prior to the Date of Filing. The Information Listed Below is Current as of April 14th, 1979

SECTION III

INTEREST IN PROPERTY HELD during preceding year in a trade or business, or for investment or production of income including trusts or other financial arrangements with a fair market value exceeding $1,000 at the close of the preceding calendar year.

IDENTITY	CATEGORY OF VALUE (I, II, III, IV, V, VI)
One-half interest in property 231-235 Centre St., NY, NY	IV
One-half interest in mortgage 124-126 Bowery, NY, NY	III

SECTION IV

LIABILITIES (total) owed to any creditor which exceeds $10,000 at any time in the preceding calendar year and any revolving charge account with an outstanding liability over $10,000 at the close of the calendar year.

IDENTITY	CATEGORY OF VALUE (I, II, III, IV, V, VI)
First Women's Bank New York, N.Y. Personal Loan	II
East River Savings Bank New York, N.Y. Personal Loan	III

SECTION V

PURCHASE, SALE OR EXCHANGE during the preceding calendar year which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY OF VALUE (I, II, III, IV, V, VI)
Sale - Half interest in property 231-235 Centre St.	10/78	IV
Sale - Half interest in mortgage 124-126 Bowery	10/78	III

SECTION VI

POSITION HELD on or before date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any non-profit organization, any labor organization, or educational or other institution other than the United States.

POSITION	ORGANIZATION
Officer	P. Zaccaro & Son Co.

SECTION VII

AGREEMENTS AND ARRANGEMENTS with respect to future employment, leave of absence, during the period of the reporting individual's Government service, continuation of payments by a former employer other than the U.S. Government, and any continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE

EXHIBIT NO. 30

INSIDE MAN

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1979

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
Full Name

[illegible] Deepdene Rd.
Mailing Address

Forest Hills, NY 11375

MC

(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☐ Member of the U.S. House of Representatives— District State

☐ Officer or Employee—Employing Office

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during the preceding calendar year. Exclude income from current U.S. Government employment.

SOURCE	TYPE	AMOUNT
American Enterprize Institute	Honorarium	$200.00

B. The source, type, and category of value of income from dividends, interest, rent, and capital gains received from any source during the preceding calendar year which exceeds $100 in value. *Note: For this part only, indicate Category of Value, as follows:* Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	C

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of gifts of transportation, lodging, food, or entertainment aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
None	

B. The source, a brief description, and value of all other gifts aggregating $100 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of reimbursements aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
None	

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001–$15,000; C—$15,001–$50,000; D—$50,001–$100,000; E—$100,001–$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which has a fair market value exceeding $1,000 as of the end of the year

IDENTITY	CATEGORY
East River Savings Ban	C
Ridgewood Savings Ban	B
Common Stock	
1 Share P. Zaccaro Co., Inc.	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeds $10,000 at any time during the preceding calendar year.

IDENTITY	CATEGORY
East River Savings Bank	C
The First Womens Bank	B

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeds $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
None		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Secretary and Director	P. Zaccaro Co., Inc.

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ___

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ___ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. 706 and 18 U.S.C. 1001).

Signature

Date 4 29-78

INSIDE MAIL

310 00505 EXHIBIT No. 31

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1980

FORM A—For use by Members, officers, and employees

GERALDINE A FERRARO
(Full Name)
22 DEEPDENE RD.
(Mailing Address)
FOREST HILLS NY.

MC

U.S. HOUSE OF REPRESENTATIVES
MAY -5 PM
(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ Check if Amended Statement.

☑ Member of the U.S. House of Representatives—District 9th State NY

☐ Officer or Employee—Employing Office

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during the preceding calendar year. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT
AMERICAN ENTERPRISE INST. FOR PUBLIC POLICY RESEARCH. 1/15/80	HONORARIA	200
– – – – 5/20/80	〃	200
NATIONAL TOWN MEETING 5/19/80	〃	500
QUALITY BAKERS OF AMERICA COOPERATIVE INC. 11/16/79	〃	500

B. The source, type, and category of value of income from dividends, interest, rent, and capital gains received from any source during the preceding calendar year which exceeds $100 in value. *Note: For this part only,* indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
INTEREST	SAVINGS	C

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
NONE	

B. The source, a brief description, and value of all *other gifts* aggregating $100 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE
NONE		

C. The source and a brief description of reimbursements aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION
NONE	

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001–$15,000; C—$15,001–$50,000; D—$50,001–$100,000; E—$100,001–$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
East [illegible] Savings Bank	B
Ridgewood Savings Bank	B
[illegible] House Fed. Cr. Union	C
Common Stock	
1 sh P. Zaccaro Co Inc	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during the preceding calendar year.

IDENTITY	CATEGORY
None	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
None		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Secretary and Director	P. Zaccaro Co. Inc.

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other exempted trust? (See Instructions) YES ____ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature

Date May 3, 1981

APR 30 1982

EXHIBIT NO. 32

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1981

FORM A—For use by Members, officers, and employees

GERALDINE A. FERRARO
(Full Name)

22 DEEPDENE RD
(Mailing Address)

FOREST HILLS NY 11375

M

(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☑ Member of the U.S. House of Representatives—District ____ State ____

☐ Officer or Employee—Employing Office ____

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1981. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT
SCHEDULE ATTACHED		1,500

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during calendar year 1981 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
INTEREST	SAVINGS	D

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION
NONE	

B. The source, a brief description, and value of all *other gifts* aggregating $100 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION	VALUE
NONE		

C. The source and a brief description of reimbursements aggregating $250 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION
[illegible] UNITY [illegible] [illegible], INC	[illegible] FOR TRANSPORTATION ETC CONTINUATION SHEET [illegible]

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001–$15,000; C—$15,001–$50,000; D—$50,001–$100,000; E—$100,001–$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1981 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
[illegible] Bank	C
[illegible] Bank	C
[illegible] Credit Union	F
[illegible] Fund	[illegible]
[illegible] Stock	
[illegible] Co. Inc	[illegible]

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1981.

IDENTITY	CATEGORY
NONE	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1981 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
NONE		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Secretary & Treasurer	[illegible] Co. Inc

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	NONE	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See instructions) [✓ YES] NO

B. Do you, your spouse, or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See instructions) YES [✓ NO]

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature

Date [illegible]

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

[illegible]

Continuation Sheet

		DATE	AMOUNT
[illegible]	American Enterprise Institute [illegible] Round Table Discussion [illegible]	[illegible]	200
	Washington Center For Program [illegible] To Students		50
	American [illegible] [illegible] Convention To [illegible] [illegible]		750
	Sioux Valley [illegible] [illegible] Inc [illegible] Travel To [illegible] To [illegible] Their Facilities With Their Representatives [illegible]		500
	TOTAL		1500

HAND DELIVERED

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1982

FORM A—For use by Members, officers, and employees

EXHIBIT NO. 33

M^c

(Office Use Only)

GERALDINE A. FERRARO
(Full Name)

22 DEEPDANE RD
(Mailing Address)

FOREST HILLS, N.Y. 11375

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☑ Member of the U.S. House of Representatives—District 9th State NY

☐ Officer or Employee—Employing Office

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1982. Exclude income from current U.S. Government employment. *Do not include here income reported in part I-B below.*

SOURCE	TYPE	AMOUNT
SCHEDULE ATTACHED		3310

B. The source, type, and category of value of *income from dividends, interest, rent, and capital gains* received from any source during calendar year 1982 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
INTEREST	SAVINGS	B
DIVIDENDS	INVESTMENT FUND	B

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION
NONE	

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION	VALUE
NONE		

C. The source and a brief description of reimbursements aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION
NONE	

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001–$15,000; C—$15,001–$50,000; D—$50,001–$100,000; E—$100,001–$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1982 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
RIDGEWOOD SAVINGS BANK	A
CITIBANK SAVINGS	A
EAST RIVER SAVINGS	A
FIRST WOMENS BANK	B
CONGRESSIONAL CREDIT UNION	A
DREYFUS LIQUID FUND	A
COMMON STOCK	
(1) SHARE P. ZACCARO CO. INC	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1982.

IDENTITY	CATEGORY
NONE	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1982 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
NONE		

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
SECRETARY TREASURER	P. ZACCARO CO. INC

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	NONE	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES ✓ NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ____ NO ✗

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature

Date Ma. 9 1983

Page 1 of 1

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

GERALDINE A. FERRARO

Continuation Sheet

Part	Source, Type, Amount, Category, Description or Value (As Applicable)	TYPE	AMOUN
A	BROOKLYN POST SPEECH	HONORARIA	200
	OUTDOOR ADVERTISING ASSO. OF NY SPEECH	"	500
	COMMODITY EXCHANGE INC NEW YORK – SPEECH	"	1000
	WASHINGTON CAUCUS – SPEECH	"	500
	CHICAGO MERCANTILE EXCHANGE – TOUR OF EXCHANGE AND SPEECH	"	1000
	AMERICAN UNIV – SEMESTER PROGRAM – SPEECH	"	60
	NEW YORK UNIVERSITY – SPEECH	"	50
		TOTAL	3310

Mar. 1 - 1984

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

EXHIBIT NO. 34

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1982

FORM A—For use by Members, officers, and employees

Geraldine A. Ferraro
(Full Name)

22 Deepdene Road
(Mailing Address)

Forest Hills, NY 11375

MC

Y 15 P 9 36

(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☒ Member of the U.S. House of Representatives—District 9 State N. Y.

☐ Officer or Employee—Employing Office

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1982. Exclude income from current U.S. Government employment. *Do not include here income reported in part I-B below.*

SOURCE	TYPE	AMOUNT
Schedule Attached		3,600.

B. The source, type, and category of value of income from *dividends, interest, rent, and capital gains* received from any source during calendar year 1982 which exceeds $100 in value. *Note: For this part only,* indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	A
Dividends	Investment Fund	A
Interest	Bonds	F

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION
Chinese Cultural University	Air fare: New York-Taiwan Taiwan -New York: Food and lodging

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1983 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
Ridgewood Savings Bank	A
Congressional Credit Union	A
East River Savings Bank	A
Dreyfus Liquid Fund	A
Dreyfus Reserve Fund	A
Bonds - MAC	C
N.Y.C. G.O.	C
Gloversville	B
Common Stock -	
(1) Sh. P. Zaccaro Co., Inc.	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1983.

IDENTITY	CATEGORY
None	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1983 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
Purchase Bonds - 25M MAC	1/12/83	C
25M N.Y.C. G.O.	1/13/83	C
10M Gloversville	2/9/83	B

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Secretary & Treasurer	P. Zaccaro Co., Inc.

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions)
YES X NO ___

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions)
YES ___ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date
	May 8, 1984

Page 1 of 1

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

Geraldine A. Ferraro

Continuation Sheet

Part	Source, Type, Amount Category, Description or Value (As Applicable)	TYPE	AMOUNT
A	Avon Products Co. - Speech	Honoraria	2,000.
	IMPACT - Briefing	"	100.
	New York State Home Economics Assoc. - Speech	"	100.
	American Univ. Washington Semester Program - Speech	"	50.
	Union of American Hebrew Cong. - Speech	"	100.
	Outdoor Advertising Assoc. of America - Speech	"	500.
	Institute of Outdoor Advertising - Speech	"	500.
	Center for Study of Democratic Inst. - Speech	"	50.
	American Enterprises Inst. Congress Project Dinner	"	200.
		TOTAL	3,600.

UNITED STATES HOUSE OF REPRESENTATIVES

Office of the Clerk
Washington, D.C.

EXHIBIT NO. 35

ETHICS IN GOVERNMENT ACT OF 1978 (2 U.S.C. §§ 701-709)

FINANCIAL DISCLOSURE STATEMENT

____
(Full Name)

____
(Mailing Address)

____

ID # ____________
(OFFICE USE ONLY)

☐ Check if this is an amended Statement.

INDIVIDUAL REPORTING STATUS

(Check one only)

☐ MEMBER OF U.S. HOUSE OF REPRESENTATIVES—DISTRICT ________ STATE ______

☐ CURRENT OFFICER/EMPLOYEE/PRINCIPAL ASSISTANT—EMPLOYING OFFICE ______

☐ NEW OFFICER/EMPLOYEE/PRINCIPAL ASSISTANT—EMPLOYING OFFICE ______

NOTE: Requirements for new officers/employees/principal assistants differ substantially from those of Members of Congress and current officers/employees/principal assistants. Please read Instructions on reverse side carefully.

____________ ____________________
(Date) (Signature)

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. See 2 U.S.C. § 706 and 18 U.S.C. § 1001.

RETURN COMPLETED COVER PAGE AND STATEMENT
(WITH 2 COPIES OF EACH) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

U.S. GOVERNMENT PRINTING OFFICE: 80-000-0

FDA-1

ETHICS IN GOVERNMENT ACT OF 1978—FINANCIAL DISCLOSURE STATEMENT

Name of Person Filing ________________________ Page ______ of ______

NOTE: See reverse side for Detailed Filing Instructions and Exemptions. If additional space is required, use continuation sheets provided. *Complete all parts. (If None, so indicate)*

SECTION I

A. **INCOME** (including honoraria) from any source received during preceding calendar year aggregating $100 or more in value. Exclude income from current U.S. Government employment.

SOURCE	TYPE (salary, pension, honorarium, etc.)	AMOUNT/VALUE

B. **INCOME** from dividends, interest, rent, capital gains including trusts or other financial arrangements, received during the preceding calendar year exceeding $100 in value. NOTE: For Section I.B. indicate Category of Value: Category I—$100.01–$1,000; II—$1,000.01–$2,500; III—$2,500.01–$5,000; IV—$5,000.01–$15,000; V—$15,000.01–$50,000; VI—$50,000.01–$100,000; VII—Over $100,000.

SOURCE	TYPE	CATEGORY OF VALUE (I, II, III, IV, V, VI, VII)

SECTION II

A. **GIFTS** of transportation, lodging, food or entertainment aggregating $250 or more in value received from any source during the preceding calendar year.

IDENTITY OF SOURCE	BRIEF DESCRIPTION

B. **GIFTS** other than transportation, lodging, food or entertainment aggregating $100 or more in value received from any source during preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE

C. **REIMBURSEMENTS** received from any source aggregating $250 or more in value in preceding calendar year.

IDENTITY OF SOURCE	BRIEF DESCRIPTION

NOTE: For Sections III–V below, indicate Category of Value: Category I—$1,000.01–$5,000; II—$5,000.01–$15,000; III—$15,000.01–$50,000; IV—$50,000.01–$100,000; V—$100,000.01–$250,000; VI—Over $250,000.

> **IMPORTANT—For new Officers and Employees Only: In Sections III, IV, VI, and VII, the Reporting Individual Should List the Information Required as of Date Not More Than 31 Days Prior to the Date of Filing. The Information Listed Below is Current as of** ________________________
> (Date)

SECTION III

INTEREST IN PROPERTY HELD during preceding year in a trade or business, or for investment or production of income including trusts or other financial arrangements with a fair market value exceeding $1,000 at the close of the preceding calendar year.

IDENTITY	CATEGORY OF VALUE (I, II, III, IV, V, VI)

SECTION IV

LIABILITIES (total) owed to any creditor which exceeds $10,000 at any time in the preceding calendar year and any revolving charge account with an outstanding liability over $10,000 at the *close* of the calendar year.

IDENTITY	CATEGORY OF VALUE (I, II, III, IV, V, VI)

SECTION V

PURCHASE, SALE OR EXCHANGE during the preceding calendar year which exceeds $1,000 in real property, stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY OF VALUE (I, II, III, IV, V, VI)

SECTION VI

POSITION HELD on or before date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or educational or other institution other than the United States.

POSITION	ORGANIZATION

SECTION VII

AGREEMENTS AND ARRANGEMENTS with respect to future employment, leave of absence, during the period of the reporting individual's Government service, continuation of payments by a former employer other than the U.S. Government, and any continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS

Page .... of ....

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

(Name)

CONTINUATION SHEET

Section	Indicate: Date/Source/Identity/Brief Description/Type/ Parties To/Terms (As Applicable)	Indicate: Amount/Category of Value/Value (As Applicable)

FDA-3

DETAILED FILING INSTRUCTIONS AND EXEMPTIONS

MEMBERS OF CONGRESS AND CURRENT AND FORMER OFFICERS/EMPLOYEES/PRINCIPAL ASSISTANTS

SPECIFIC INFORMATION

Each Member in Office on May 15 SHALL FILE—A FINANCIAL DISCLOSURE STATEMENT ON OR BEFORE MAY 15 OF THAT CALENDAR YEAR.

Any individual who is an Officer/Employee of the Legislative Branch during any calendar year and is paid at a rate equal to or greater than GS–16 or who is a designated Principal Assistant of a Member of Congress and who performs the duties of his position or office for a period in excess of 60 days in that calendar year SHALL FILE—

A FINANCIAL DISCLOSURE STATEMENT ON OR BEFORE MAY 15 OF THE SUCCEEDING YEAR IF THE INDIVIDUAL IS EMPLOYED IN THE FOLLOWING OFFICES:

Architect of the Capitol
Botanic Gardens
Congressional Budget Office
Government Printing Office
Library of Congress
U.S. House of Representatives

PLEASE BE AWARE THAT THIS STATEMENT MUST BE FILED EVEN THOUGH THE INDIVIDUAL MAY NO LONGER BE EMPLOYED BY THE ABOVE LISTED OFFICES ON THE DATE OF FILING

NEW OFFICERS/EMPLOYEES/PRINCIPAL ASSISTANTS
SPECIFIC INFORMATION

Officers/Employees new to the Legislative Branch and paid at a rate equal to or greater than GS–16 and all employees newly designated as Principal Assistants to Members of Congress SHALL FILE—

A FINANCIAL DISCLOSURE STATEMENT WITHIN 30 DAYS OF ASSUMING SUCH POSITION IN THE FOLLOWING OFFICES:

Architect of the Capitol
Botanic Gardens
Congressional Budget Office
Government Printing Office
Library of Congress
U.S. House of Representatives

EXCEPT: Those individuals who have left another GS–16 or above or principal assistant position within the Legislative Branch (see note below) within 30 days prior to assuming new position.

NOTE: For purposes of this section, the Legislative Branch includes the U.S. House of Representatives, the U.S. Senate, the Architect of the Capitol, the Botanic Gardens, the Congressional Budget Office, the Cost Accounting Standards Board, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of the Attending Physician, and the Office of Technology Assessment.

INCOME: New officers/employees must include income (Sections I.A. and I.B.) for current year of filing as *well* as previous calendar year.

SECTION II: New Officers/Employees—Disregard this section.

SECTION V: New Officers/Employees—Disregard this section.

GENERAL INFORMATION

WHERE TO FILE: Clerk, U.S. House of Representatives, Office of Records and Registration, Room 1036, Longworth House Office Building, Washington, D.C. 20515. Telephone Number (202) 225–1300.

HONORARIA: In reporting any honorarium, the individual must also list the date the honorarium was received.

HOUSE RULES: Title I of the Ethics in Government Act (2 U.S.C. §§ 701–709) shall be deemed to be a Rule of the House as it pertains to Members, Officers, and employees.

POLITICAL CAMPAIGN FUNDS: Political campaign funds, including campaign receipts and expenditures, need not be included in any report filed pursuant to this title.

DESIGNATED COMMITTEE OF THE HOUSE: The Committee on Standards of Official Conduct of the U.S. House of Representatives, Room 2360, Rayburn House Office Building, Washington, D.C. 20515, telephone number (202) 225–7103, is the designated committee of the House.

EXEMPTIONS

SECTION I.A.—INCOME: Exclude income from current U.S. Government employment and any income listed in Section I.B.

SECTION I.B.—INCOME: The reporting individual need ONLY report the CATEGORY of the amount of income received by him, his spouse, or dependents from a trust (i) which was not created directly by such individual, his spouse, or any dependent; (ii) with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; and (iii) a qualified blind trust. [See 2 U.S.C. § 702(e)(3)].

SECTION II.A.—GIFTS: Exclude any gifts received from a relative of the reporting individual in the preceding calendar year; any food, lodging or entertainment received as personal hospitality of an individual; and for purposes of this section, any gift with a fair market value of $35 or less need not be aggregated.

SECTION II.B.—GIFTS: Exclude those gifts reported in Section II.A.; gifts from a relative of the reporting individual; and for purposes of this section, any gift with a fair market value of $35 or less need not be aggregated. (A gift need not be aggregated if in unusual circumstances a publicly available waiver is granted.)

SECTION III—INTEREST IN PROPERTY HELD: Exclude any liability owed to the reporting individual by a relative and any deposits aggregating $5,000 or less in personal savings accounts. In reporting property holdings, one should not simply list "stocks"—the name of each company in which stock worth over $1,000 is held must be listed separately. In listing real property holdings, the reporting individual should include a brief description of the property (such as number of acres and indication of any improvements), and its location. In listing the category of value of any property where it is difficult to determine an approximate fair market value, the individual may use any recognized indication of value provided that the method of valuation is indicated on the disclosure form. [See 2 U.S.C. 702(c)(2) for method of valuation].

SECTION IV—LIABILITIES: Exclude any liability owed to a relative; a mortgage on real property that is the reporting individual's/spouse's personal residence; a loan on a personal motor vehicle, or household furniture or appliance secured at a value that does not exceed the value of the item.

SECTION V—PURCHASE, SALE OR EXCHANGE: Exclude property used solely as a personal residence of the reporting individual or his spouse and any transaction solely by and between the reporting individual, his spouse, or dependent children.

SECTION VI—POSITION HELD: Exclude those positions held in any religious, social, fraternal or political entity and positions solely of an honorary nature.

SPOUSE AND DEPENDENT DISCLOSURE

The financial interests of the spouse and dependent children should be reported as follows:

SECTION I.A.—INCOME: The source, but not amount, of spouse and dependent child-earned income which exceeds $1,000.

SECTION I.B.—INCOME: Include all information required with respect to income derived from any asset reported by the spouse or dependent child under Section III.

SECTION II.B.—GIFTS: Exclude any gift received totally independent of the spouse's relationship to the reporting individual.

SECTION II.C.—GIFTS: Exclude any reimbursement received totally independent of the spouse's relationship to the reporting individual.

SECTIONS III, IV, AND V: Exclude items (i) which the reporting individual certifies represent the spouse or dependent child's sole financial interest or responsibility and which the reporting individual has no knowledge of; (ii) which are not in any way, past or present, derived from the income, assets, or activities of the reporting individual; and (iii) from which the reporting individual neither derives, nor expects to derive, any financial or economic benefit.

SECTION VI: Spouse disclosure not required.

SECTION VII: Spouse disclosure not required.

No report is required with respect to a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation or with respect to income or obligations of an individual arising from a divorce or permanent separation from his spouse.

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1979

FORM A—For use by Members, officers, and employees

(Full Name)

(Mailing Address)

EXHIBIT NO. 36

(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ **Check if amended Statement.**

☐ **Member of the U.S. House of Representatives—District _____ State __________**

☐ **Officer or Employee—Employing Office ____________________**

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during the preceding calendar year. Exclude income from current U.S. Government employment.

SOURCE	TYPE	AMOUNT

B. The source, type, and category of value of income from dividends, interest, rent, and capital gains received from any source during the preceding calendar year which exceeds $100 in value. ***Note:*** **For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.**

SOURCE	TYPE	CATEGORY

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of gifts of transportation, lodging, food, or entertainment aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION

B. The source, a brief description, and value of all other gifts aggregating $100 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE

C. The source and a brief description of reimbursements aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which has a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeds $10,000 at any time during the preceding calendar year.

IDENTITY	CATEGORY

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeds $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions)

YES ____ NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions)

YES ____ NO ____

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. 706 and 18 U.S.C. 1001).

Signature	Date

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

FORM A—For use by Members, officers, and employees of the House of Representatives and related offices

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

- Each Member in office on May 15 must file a Financial Disclosure Statement on or before May 15 of that calendar year.

- Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS–16 of the General Schedule for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an officer or employee on May 15.

- Any employee of a Member who has been designated as a principal assistant for purposes of the Act and who performs the duties of his or her position for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an employee on May 15.

WHERE TO FILE: Clerk, U.S. House of Representatives, Office of Records and Registration, Room 1036, Longworth House Office Building, Washington, D.C. 20515.

WHERE TO SECURE ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room 2360, Rayburn House Office Building, Washington, D.C. 20515. Telephone No. (202) 225–7103. Additional forms and instructions may be obtained from the Committee office.

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. Extension requests should be directed to the chairman of that Committee in writing and should state the reason the extension is necessary.

REPORTING INSTRUCTIONS

REPORTING PERIOD: The period covered by this Disclosure Statement is the preceding calendar year, unless otherwise indicated. Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.

INCOME: The term "income" is intended to be all-inclusive, as defined in the Act. The identity of the source and the amount or category of value of all income which exceeds $100 from any one source must be disclosed separately. Gross income should be listed, but the net income derived from business may also be reported. The type of income should be identified as salary, commission, pensions, honoraria, dividends, interest, etc. In reporting any honoraria, include the date of receipt and indicate which honoraria, if any, were assigned to charity. The amount of the honorarium should be the net figure; any payment for travel expenses should be disclosed as a reimbursement. *Exclusion:* Income from current U.S. Government employment.

GIFTS: In reporting tangible gifts, it is not necessary that exact dollar figures be reported in every case. If the exact value of a gift is not reasonably ascertainable, a good-faith estimate and a brief description of the gift is sufficient for disclosure purposes. In disclosing gifts of entertainment or travel-related expenses, the individual should include a brief description of the itinerary and the nature of the expenses provided. *Exclusions:* Gifts from relatives and gifts of personal hospitality of an individual. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold. Political campaign contributions also need not be reported. *Note:* House Rule XLIII, clause 4 prohibits acceptance of gifts aggregating $100 or more in value from certain sources.

REIMBURSEMENTS: This category would include items such as travel expenses provided in connection with a speaking engagement or fact-finding event related to official duties, whether those expenses were reimbursed to the individual or paid directly by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses is required rather than exact dollar figures. *Exclusions:* Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds.

HOLDINGS: Business interests, stocks and bonds, real estate, savings accounts, and any other investment or income-producing property should be reported by category of value. Property held at any time during the calendar year must be listed; however, the value of the holding should reflect the fair market value as of the end of the year. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See 2 U.S.C. 702 (c) for methods of valuation.) In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. *Exclusions:* Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported unless any part of the residence produces rental income. The cash value of a life insurance policy, and equity in any retirement fund need not be reported.

LIABILITIES: All personal obligations aggregating over $10,000 owed to one creditor at any time during the year, whether secured or not, and regardless of the repayment terms or interest rates, must be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed. *Exclusions:* Mortgages secured by the personal residence of the reporting individual or his spouse; any loan secured by a personal motor vehicle, or household furniture or appliances; and any liability owed to a relative.

TRANSACTIONS: The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is not related to any capital gain or loss on the transaction. Indicate whether the property was purchased, sold, or exchanged. *Exclusions:* Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

POSITIONS HELD: Any nongovernmental position held by the reporting individual, whether compensated or uncompensated, in any business entity, nonprofit organization, labor group, educational or other institution must be reported. *Exclusions:* Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

AGREEMENTS: Continued payments or benefits from a former employer would include interests in or contributions to a pension fund, profit-sharing plan, or life or health insurance; buy-out agreements; severance payments, etc.

SPOUSE AND DEPENDENT DISCLOSURE

In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in certain limited circumstances, the truly independent financial interests of a spouse or dependent would be exempt from disclosure.

Information concerning a spouse or dependent child should be reported as follows: (1) the source, but not amount, of spouse earned income which exceeds $1,000; (2) the source and category of value of income derived from any asset of the spouse or dependent reported under Part III of the Disclosure Statement; (3) gifts or reimbursements to the spouse, unless received totally independent of the spouse's relationship to the reporting individual; and (4) assets, liabilities, and transactions of the spouse or dependent child.

Disclosure of the financial interests and liabilities of a spouse or dependent under Parts III, IV, and V of the Statement is exempted when all three of the following circumstances are met: (1) the item is the sole interest or responsibility of the spouse or dependent child and the reporting individual has no knowledge of the item; (2) the item was not in any way, past or present, derived from the income, assets, or activities of the reporting individual; and (3) the reporting individual neither derives, nor expects to derive, any financial or economic benefit from the item. *Note:* If the reporting individual does not disclose certain financial interests or liabilities of the spouse or dependent children because these three standards for exemption are met, he or she must so indicate in Part VIII of the Statement.

The information concerning a spouse or dependent child must be reported in the same manner as that of the reporting individual. However, the person reporting need not identify which items belong to a spouse or dependent. No information is required with respect to a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation; or with respect to any income or obligations of an individual arising from the dissolution of the marriage or permanent separation.

TRUSTS

The holdings of and income from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. However, the reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from: (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "qualified blind trust," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the Committee on Standards of Official Conduct before it will be deemed a qualified blind trust under the Act.

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (2 U.S.C. 701 et seq.). The Statements will be made publicly available to any requesting person upon written application, and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (see 2 U.S.C. 706 and 18 U.S.C. 1001).

DETACH AND RETURN COMPLETED STATEMENT
(WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1980

FORM A—For use by Members, officers, and employees

(Full Name)

(Mailing Address)

EXHIBIT NO. 37

(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☐ Member of the U.S. House of Representatives—District ____ State ________

☐ Officer or Employee—Employing Office ________________

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during the preceding calendar year. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during the preceding calendar year which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food,* or *entertainment* aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION	VALUE

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during the preceding calendar year.

SOURCE	BRIEF DESCRIPTION

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during the preceding calendar year in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during the preceding calendar year.

IDENTITY	CATEGORY

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during the preceding calendar year which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES ____ NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ____ NO ____

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date

U.S. GOVERNMENT PRINTING OFFICE [illegible]

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT--FINANCIAL DISCLOSURE STATEMENT

FORM A--For use by Members, officers, and employees of the House of Representatives
and related offices

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

o Each Member in office on May 15 must file a Financial Disclosure Statement on or before May 15 of that calendar year.

o Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS–16 of the General Schedule for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an officer or employee on May 15.

o Any employee of a Member who has been designated as a principal assistant for purposes of the Act and who performs the duties of his or her position for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an employee on May 15.

WHERE TO FILE: Clerk, U.S. House of Representatives, Office of Records and Registration, Room 1036, Longworth House Office Building, Washington, D.C. 20515.

WHERE TO SECURE ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room 2360, Rayburn House Office Building, Washington, D.C. 20515. Telephone No. (202) 225–7103. Additional forms and instruction booklets may be obtained from the Committee office.

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. Extension requests should be directed to the chairman of that Committee in writing and should state the reason the extension is necessary.

REPORTING INSTRUCTIONS

REPORTING PERIOD: The period covered by this Disclosure Statement is the preceding calendar year, unless otherwise indicated. *Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.*

INCOME: The term "income" is intended to be all-inclusive, as defined in the Act. The identity of the source and the amount or category of value of all income which exceeds $100 from any one source must be disclosed separately. Gross income should be listed, but the net income derived from business may also be reported. The type of income should be identified as salary, commission, pensions, honoraria, dividends, interest, etc. In reporting any honoraria, include the date of receipt and indicate which honoraria, if any, were assigned to charity. The amount of the honorarium should be the net figure; any payment for travel expenses should be disclosed as a reimbursement. *Exclusion:* Income from current U.S. Government employment.

GIFTS: In reporting tangible gifts, it is not necessary that exact dollar figures be reported in every case. If the exact value of a gift is not reasonably ascertainable, a good-faith estimate and a brief description of the gift is sufficient for disclosure purposes. In disclosing gifts of entertainment or travel-related expenses, the individual should include a brief description of the itinerary and the nature of the expenses provided. *Exclusions:* Gifts from relatives and gifts of personal hospitality of an individual. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold. Political campaign contributions also need not be reported. *Note:* House Rule XLIII, clause 4 prohibits acceptance of gifts aggregating $100 or more in value from certain sources.

REIMBURSEMENTS: This category would include items such as travel expenses provided in connection with a speaking engagement or fact-finding event related to official duties, whether those expenses were reimbursed to the individual or paid directly by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses is required rather than exact dollar figures. *Exclusions:* Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds.

HOLDINGS: Business interests, stocks and bonds, real estate, savings accounts, and any other investment or income-producing property should be reported by category of value. Property held at any time during the calendar year must be listed; however, the value of the holding should reflect the fair market value as of the end of the year. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See 2 U.S.C. § 702 (c) for methods of valuation.) In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. *Exclusions:* Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported unless any part of the residence produces rental income. The cash value of a life insurance policy, and equity in any retirement fund need not be reported.

LIABILITIES: All personal obligations aggregating over $1[illegible] owed to one creditor at any time during 1978, whether secured or not, and regardless of the repayment terms or interest rates, must be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed. *Exclusions:* Mortgages secured by the personal residence of the reporting individual or his spouse any loan secured by a personal motor vehicle, or household furniture or appliances; and any liabilit owed to a relative.

TRANSACTIONS: The amount to be reported in disclosing transactions in real property or securities the category of value of the total purchase price or total sales price, and is not related to any capi gain or loss on the transaction. Indicate whether the property was purchased, sold, or exchang *Exclusions:* Any purchase or sale of a personal residence, and any transactions solely by and betw the reporting individual, his spouse, or dependent children.

POSITIONS HELD: Any nongovernmental position held by the reporting individual, whether comp sated or uncompensated, in any business entity, nonprofit organization, labor group, educationa other institution must be reported. *Exclusions:* Positions held in any religious, social, fraternal political entities, and positions solely of an honorary nature.

AGREEMENTS: Continued payments or benefits from a former employer would include interests contributions to a pension fund, profit-sharing plan, or life or health insurance; buy-out agreem severance payments, etc.

SPOUSE AND DEPENDENT DISCLOSURE

In general, the reporting individual is required to include financial information concerning his spouse or dependent children. However, in certain limited circumstances, the truly independent fi interests of a spouse or dependent would be exempt from disclosure.

Information concerning a spouse or dependent child should be reported as follows: (1) the sou not amount, of a spouse's earned income which exceeds $1,000; (2) the source and category of val come derived from any asset of the spouse or dependent reported under Part III of the Disclosur ment; (3) gifts or reimbursements to the spouse, unless received totally independent of the spous tionship to the reporting individual; and (4) assets, liabilities, and transactions of the spous pendent child.

Disclosure of the financial interests and liabilities of a spouse or dependent under Parts III, of the Statement is exempted when all three of the following circumstances are met: (1) the i sole interest or responsibility of the spouse or dependent child and the reporting individual has edge of the item; (2) the item was not in any way, past or present, derived from the income, activities of the reporting individual; and (3) the reporting individual neither derives, nor derive, any financial or economic benefit from the item. *Note:* If the reporting individual de close certain financial interests or liabilities of the spouse or dependent children because these t ards for exemption are met, he or she must so indicate in Part VIII of the Statement.

The information concerning a spouse or dependent child must be reported in the same that of the reporting individual. However, the person reporting need not identify which it a spouse or dependent. No information is required with respect to a spouse living separate an the reporting individual with the intention of terminating the marriage or providing for pe aration; or with respect to any income or obligations of an individual arising from the diss marriage or permanent separation.

TRUSTS

The holdings of and income from a trust or other financial arrangement in which a ben in principal or income is held by the reporting individual, his spouse, or any dependent ch disclosed. However, the reporting individual need only report the category of the am received by him, his spouse, or dependents from: (1) a trust which was not created dire dividual, his spouse, or any dependent, and with respect to which such individual, his spo ents have no knowledge of the holdings or sources of income of the trust; or (2) a "qualif as defined in section 102(e)(3) of the Act. Such a trust must be approved by the Committ of Official Conduct before it will be deemed a qualified blind trust under the Act.

This Financial Disclosure Statement is required by the Ethics in Government 1978, as amended (2 U.S.C. § 701 et seq.). The Statements will be made availabl requesting person upon written application, and will be reviewed by the Comm Standards of Official Conduct. Any individual who knowingly and willfully fal who knowingly and willfully fails to file this report may be subject to civil and sanctions, (see 2 U.S.C. § 706 and 18 U.S.C. § 1001).

DETACH AND RETURN COMPLETED STATEMENT
(WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1981

FORM A—For use by Members, officers, and employees

EXHIBIT NO. 38

(Office Use Only)

____
(Full Name)

____
(Mailing Address)

____

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☐ Member of the U.S. House of Representatives—District ____ State ________

☐ Officer or Employee—Employing Office ______________________________

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1981. Exclude income from current U.S. Government employment. *Do not include here income reported in part I-B below.*

SOURCE	TYPE	AMOUNT

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during calendar year 1981 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION	VALUE

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1981.

SOURCE	BRIEF DESCRIPTION

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1981 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1981.

IDENTITY	CATEGORY

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1981 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION,	DATE	CATEGORY

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions)

YES ____ NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions)

YES ____ NO ____

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date

U.S. GOVERNMENT PRINTING OFFICE [illegible]

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT--FINANCIAL DISCLOSURE STATEMENT

FORM A—For use by Members, officers, and employees of the House of Representatives and related offices

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

o Each Member in office on May 15 must file a Financial Disclosure Statement on or before May 15 of that calendar year.

o Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16 of the General Schedule for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an officer or employee on May 15.

o Any employee of a Member who has been designated as a principal assistant for purposes of the Act and who performs the duties of his or her position for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an employee on May 15.

WHERE TO FILE: Clerk, U.S. House of Representatives, Office of Records and Registration, Room 1036, Longworth House Office Building, Washington, D.C. 20515.

WHERE TO SECURE ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room 2360, Rayburn House Office Building, Washington, D.C. 20515. Telephone No. (202) 225-7103. Additional forms and instruction booklets may be obtained from the Committee office.

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. Extension requests should be directed to the chairman of that Committee in writing and should state the reason the extension is necessary.

REPORTING INSTRUCTIONS

REPORTING PERIOD: The period covered by this Disclosure Statement is calendar year 1981, unless otherwise indicated. *Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.*

INCOME: The term "income" is intended to be all-inclusive, as defined in the Act. The identity of the source and the amount or category of value of all income which exceeds $100 from any one source must be disclosed separately. Gross income should be listed, but the net income derived from business may also be reported. The type of income should be identified as salary, commission, pensions, honoraria, dividends, interest, etc. In reporting any honoraria, include the date of receipt and indicate which honoraria, if any, were assigned to charity. The amount of the honorarium should be the net figure; any payment for travel expenses should be disclosed as a reimbursement. *Exclusion:* Income from current U.S. Government employment.

GIFTS: In reporting tangible gifts, it is not necessary that exact dollar figures be reported in every case. If the exact value of a gift is not reasonably ascertainable, a good-faith estimate and a brief description of the gift is sufficient for disclosure purposes. In disclosing gifts of entertainment or travel-related expenses, the individual should include a brief description of the itinerary and the nature of the expenses provided. *Exclusions:* Gifts from relatives and gifts of personal hospitality of an individual. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold. Political campaign contributions also need not be reported. *Note:* House Rule XLIII, clause 4 prohibits acceptance of gifts aggregating $100 or more in value from certain sources.

REIMBURSEMENTS: This category would include items such as travel expenses provided in connection with a speaking engagement or fact-finding event related to official duties, whether those expenses were reimbursed to the individual or paid directly by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses is required rather than exact dollar figures. *Exclusions:* Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds.

HOLDINGS: Business interests, stocks and bonds, real estate, savings accounts, and any other investment or income-producing property should be reported by category of value. Property held at any time during calendar year 1981 must be listed; however, the value of the holding should reflect the fair market value as of the end of the year. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See 2 U.S.C. § 702 (c) for methods of valuation.) In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. *Exclusions:* Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported unless any part of the residence produces rental income. The cash value of a life insurance policy, and equity in any retirement fund need not be reported.

LIABILITIES: All personal obligations aggregating over $10,000 owed to one creditor at any time during 1981, whether secured or not, and regardless of the repayment terms or interest rates, must be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed. *Exclusions:* Mortgages secured by the personal residence of the reporting individual or his spouse; any loan secured by a personal motor vehicle, or household furniture or appliances; and any liability owed to a relative.

TRANSACTIONS: The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is not related to any capital gain or loss on the transaction. Indicate whether the property was purchased, sold, or exchanged. *Exclusions:* Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

POSITIONS HELD: Any nongovernmental position held by the reporting individual, whether compensated or uncompensated, in any business entity, nonprofit organization, labor group, educational or other institution must be reported. *Exclusions:* Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

AGREEMENTS: Continued payments or benefits from a former employer would include interests in or contributions to a pension fund, profit-sharing plan, or life or health insurance; buy-out agreements; severance payments, etc.

SPOUSE AND DEPENDENT DISCLOSURE

In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in certain limited circumstances, the truly independent financial interests of a spouse or dependent would be exempt from disclosure.

Information concerning a spouse or dependent child should be reported as follows: (1) the source, but not amount, of a spouse's earned income which exceeds $1,000; (2) the source and category of value of income derived from any asset of the spouse or dependent reported under Part III of the Disclosure Statement; (3) gifts or reimbursements to the spouse, unless received totally independent of the spouse's relationship to the reporting individual; and (4) assets, liabilities, and transactions of the spouse or dependent child.

Disclosure of the financial interests and liabilities of a spouse or dependent under Parts III, IV, and V of the Statement is exempted when all three of the following circumstances are met: (1) the item is the sole interest or responsibility of the spouse or dependent child and the reporting individual has no knowledge of the item; (2) the item was not in any way, past or present, derived from the income, assets, or activities of the reporting individual; and (3) the reporting individual neither derives, nor expects to derive, any financial or economic benefit from the item. *Note:* If the reporting individual does not disclose certain financial interests or liabilities of the spouse or dependent children because these three standards for exemption are met, he or she must so indicate in Part VIII of the Statement.

The information concerning a spouse or dependent child must be reported in the same manner as that of the reporting individual. However, the person reporting need not identify which items belong to a spouse or dependent. No information is required with respect to a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation; or with respect to any income or obligations of an individual arising from the dissolution of the marriage or permanent separation.

TRUSTS

The holdings of and income from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. However, the reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from: (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "qualified blind trust," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the Committee on Standards of Official Conduct before it will be deemed a qualified blind trust under the Act.

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (2 U.S.C. § 701 et seq.). The Statements will be made available to any requesting person upon written application, and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (see 2 U.S.C. § 706 and 18 U.S.C. § 1001).

DETACH AND RETURN COMPLETED STATEMENT
(WITH TWO COPIES) TO:

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Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT--FINANCIAL DISCLOSURE STATEMENT FOR 1982

FORM A--For use by Members, officers, and employees

EXHIBIT NO. 39

(Office Use Only)

____
(Full Name)

____
(Mailing Address)

____

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☐ Member of the U.S. House of Representatives—District _____ State __________

☐ Officer or Employee—Employing Office ____________________

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type, and amount of income (including honoraria and date received) aggregating $100 or more in value received from any source during calendar year 1982. Exclude income from current U.S. Government employment. *Do not include here income reported in part I-B below.*

SOURCE	TYPE	AMOUNT

B. The source, type, and category of value of income from *dividends, interest, rent,* and *capital gains* received from any source during calendar year 1982 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food,* or *entertainment* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION	VALUE

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1982.

SOURCE	BRIEF DESCRIPTION

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1982 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1982.

IDENTITY	CATEGORY

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1982 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions)
YES ____ NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions)
YES ____ NO ____

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date

U.S. GOVERNMENT PRINTING OFFICE 82-[illegible]

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

FORM A.—For use by Members, officers, and employees of the House of Representatives and related offices

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

○ Each Member in office on May 15 must file a Financial Disclosure Statement on or before May 15 of that calendar year.

○ Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS–16 of the General Schedule for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an officer or employee on May 15.

○ Any employee of a Member who has been designated as a principal assistant for purposes of the Act and who performs the duties of his or her position for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an employee on May 15.

WHERE TO FILE: Clerk, U.S. House of Representatives, Office of Records and Registration, Room 1036, Longworth House Office Building, Washington, D.C. 20515.

WHERE TO SECURE ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room 2360, Rayburn House Office Building, Washington, D.C. 20515. Telephone No. (202) 225–7103. Additional forms and instruction booklets may be obtained from the Committee office.

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. Extension requests should be directed to the chairman of that Committee in writing and should state the reason the extension is necessary.

REPORTING INSTRUCTIONS

REPORTING PERIOD: The period covered by this Disclosure Statement is calendar year 1982, unless otherwise indicated. *Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.*

INCOME: The term "income" is intended to be all-inclusive, as defined in the Act. The identity of the source and the amount or category of value of all income which exceeds $100 from any one source must be disclosed separately. Gross income should be listed, but the net income derived from business may also be reported. The type of income should be identified as salary, commission, pensions, honoraria, dividends, interest, etc. In reporting any honoraria, include the date of receipt and indicate which honoraria, if any, were assigned to charity. The amount of the honorarium should be the net figure; any payment for travel expenses should be disclosed as a reimbursement. *Exclusion:* Income from current U.S. Government employment.

GIFTS: In reporting tangible gifts, it is not necessary that exact dollar figures be reported in every case. If the exact value of a gift is not reasonably ascertainable, a good-faith estimate and a brief description of the gift is sufficient for disclosure purposes. In disclosing gifts of entertainment or travel-related expenses, the individual should include a brief description of the itinerary and the nature of the expenses provided. *Exclusions:* Gifts from relatives and gifts of personal hospitality of an individual. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold. Political campaign contributions also need not be reported. *Note:* House Rule XLIII, clause 4 prohibits acceptance of gifts aggregating $100 or more in value from certain sources.

REIMBURSEMENTS: This category would include items such as travel expenses provided in connection with a speaking engagement or fact-finding event related to official duties, whether those expenses were reimbursed to the individual or paid directly by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses is required rather than exact dollar figures. *Exclusions:* Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds.

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LIABILITIES: All personal obligations aggregating over $10,000 owed to one creditor at any time during 1982, whether secured or not; and regardless of the repayment terms or interest rates, must be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed. *Exclusions:* Mortgages secured by the personal residence of the reporting individual or his spouse; any loan secured by a personal motor vehicle, or household furniture or appliances; and any liability owed to a relative.

TRANSACTIONS: The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is not related to any capital gain or loss on the transaction. Indicate whether the property was purchased, sold, or exchanged. *Exclusions:* Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

POSITIONS HELD: Any nongovernmental position held by the reporting individual, whether compensated or uncompensated, in any business entity, nonprofit organization, labor group, educational or other institution must be reported. *Exclusions:* Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

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SPOUSE AND DEPENDENT DISCLOSURE

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Information concerning a spouse or dependent child should be reported as follows: (1) the source, but not amount, of a spouse's earned income which exceeds $1,000; (2) the source and category of value of income derived from any asset of the spouse or dependent reported under Part III of the Disclosure Statement; (3) gifts or reimbursements to the spouse, unless received totally independent of the spouse's relationship to the reporting individual; and (4) assets, liabilities, and transactions of the spouse or dependent child.

Disclosure of the financial interests and liabilities of a spouse or dependent under Parts III, IV, and V of the Statement is exempted when all three of the following circumstances are met: (1) the item is the sole interest or responsibility of the spouse or dependent child and the reporting individual has no knowledge of the item; (2) the item was not in any way, past or present, derived from the income, assets, or activities of the reporting individual; and (3) the reporting individual neither derives, nor expects to derive, any financial or economic benefit from the item. *Note:* If the reporting individual does not disclose certain financial interests or liabilities of the spouse or dependent children because these three standards for exemption are met, he or she must so indicate in Part VIII of the Statement.

The information concerning a spouse or dependent child must be reported in the same manner as that of the reporting individual. However, the person reporting need not identify which items belong to a spouse or dependent. No information is required with respect to a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation; or with respect to any income or obligations of an individual arising from the dissolution of the marriage or permanent separation.

TRUSTS

The holdings of and income from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. However, the reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from: (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "qualified blind trust," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the Committee on Standards of Official Conduct before it will be deemed a qualified blind trust under the Act.

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DETACH AND RETURN COMPLETED STATEMENT (WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1983

FORM A—For use by Members, officers, and employees

____
(Full Name)

____
(Mailing Address)

____

EXHIBIT NO. 40

(Office Use Only)

Check the appropriate box and fill in the blanks.

☐ Check if amended Statement.

☐ Member of the U.S. House of Representatives—District ____ State ________

☐ Officer or Employee—Employing Office ______________________

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type and amount of income (including honoraria *and date received*) aggregating $100 or more in value received from any source during calendar year 1983. Exclude income from current U.S. Government employment. *Do not include here income reported in part I–B below.*

SOURCE	TYPE	AMOUNT

B. The source, type, and category of value of income *from dividends, interest, rent,* and *capital gains* received from any source during calendar year 1983 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001–$2,500; C—$2,501–$5,000; D—$5,001–$15,000; E—$15,001–$50,000; F—$50,001–$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food,* or *entertainment* aggregating $250 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION

B. The source, a brief description, and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION	VALUE

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION

(OVER)

NOTE: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001–$15,000; C—$15,001–$50,000; D—$50,001–$100,000; E—$100,001–$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1983 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY CATEGORY

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1983.

IDENTITY CATEGORY

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1983 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION DATE CATEGORY

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION NAME OF ORGANIZATION

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE PARTIES TO TERMS OF AGREEMENT

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES ____ NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ____ NO ____

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions. (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

FORM A—For use by Members, officers, and employees of the House of Representatives and related offices

GENERAL INFORMATION

WHO MUST FILE AND WHEN:

- Each Member in office on May 15 must file a Financial Disclosure Statement on or before May 15 of that calendar year.

- Any officer or employee of the Legislative Branch compensated at a rate equal to or in excess of the annual rate of basic pay in effect for grade GS-16 of the General Schedule for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an officer or employee on May 15.

- Any employee of a Member who has been designated as a principal assistant for purposes of the Act and who performs the duties of his or her position for a period in excess of 60 days in a calendar year, shall file a Financial Disclosure Statement on or before May 15 of the succeeding calendar year if he or she continues to be such an employee on May 15.

WHERE TO FILE: Clerk, U.S. House of Representatives, Office of Records and Registration, Room 1036, Longworth House Office Building, Washington, D.C. 20515.

WHERE TO SECURE ASSISTANCE: Committee on Standards of Official Conduct, U.S. House of Representatives, Room HT-2, Capitol Building, Washington, D.C. 20515. Telephone No. (202) 225-7103. Additional forms and instruction booklets may be obtained from the Committee office.

EXTENSIONS: The Committee on Standards of Official Conduct may grant reasonable extensions of time for filing any Disclosure Statement. Extension requests should be directed to the chairman of that Committee in writing and should state the reason the extension is necessary.

REPORTING INSTRUCTIONS

REPORTING PERIOD: The period covered by this Disclosure Statement is calendar year 1983, unless otherwise indicated. *Gifts or reimbursements received during any period in the calendar year when the reporting individual was not a Member or employee need not be disclosed.*

INCOME: The term "income" is intended to be all-inclusive, as defined in the Act. The identity of the source and the amount or category of value of all income which exceeds $100 from any one source must be disclosed separately. Gross income should be listed, but the net income derived from business may also be reported. The type of income should be identified as salary, commission, pensions, honoraria, dividends, interest, etc. In reporting any honoraria, include the *date of receipt* and indicate which honoraria, if any, were assigned to charity. The amount of the honorarium should be the net figure; any payment for travel expenses should be disclosed as a reimbursement. ***Exclusion:*** Income from current U.S. Government employment.

GIFTS: In reporting tangible gifts, it is not necessary that exact dollar figures be reported in every case. If the exact value of a gift is not reasonably ascertainable, a good-faith estimate and a brief description of the gift is sufficient for disclosure purposes. In disclosing gifts of entertainment or travel-related expenses, the individual should include a brief description of the itinerary and the nature of the expenses provided. ***Exclusions:*** Gifts from relatives and gifts of personal hospitality of an individual. Gifts with a value of $35 or less need not be aggregated towards the $100 or $250 disclosure threshold. Political campaign contributions also need not be reported. ***Note:*** House Rule XLIII, clause 4 prohibits acceptance of gifts aggregating $100 or more in value from certain sources.

REIMBURSEMENTS: This category would include items such as travel expenses provided in connection with a speaking engagement or fact-finding event related to official duties, whether those expenses were reimbursed to the individual or paid directly by the sponsoring organization. Only a brief description of the itinerary and the nature of the expenses is required rather than exact dollar figures. ***Exclusions:*** Travel-related expenses provided by federal, state, and local governments, or by a foreign government within a foreign country, and reimbursements paid from campaign funds.

HOLDINGS: Business interests, stocks and bonds, real estate, savings accounts, and any other investment or income-producing property should be reported by category of value. Property held at any time during calendar year 1983 must be listed; however, the value of the holding should reflect the fair market value as of the end of the year. In listing the category of value of any item where it is difficult to determine an approximate fair market value, any recognized indication of value may be used provided that the method of valuation is included on the Disclosure Statement. (See 2 U.S.C. § 702 (c) for methods of valuation.) In listing securities, the name of each company in which stock worth over $1,000 is held must be listed separately. In reporting real property holdings, a brief description of the property (such as number of acres and indication of any improvements), and its location should be included. ***Exclusions:*** Any deposits aggregating $5,000 or less in personal savings accounts as of the end of the year, and any personal liability owed to the reporting individual by a relative. A personal residence would not be reported unless any part of the residence produces rental income. The cash value of a life insurance policy, and equity in any retirement fund need not be reported

LIABILITIES: All personal obligations aggregating over $10,000 owed to one creditor at any time during 1983, whether secured or not, and regardless of the repayment terms or interest rates, must be listed. The identity of the liability should include the name of the individual or organization to which the liability is owed, and the amount disclosed should be the category of value of the largest amount owed during the calendar year. Any contingent liability, such as that of a guarantor or endorser, or the liabilities of a business in which the reporting individual has an interest need not be listed. *Exclusions:* Mortgages secured by the personal residence of the reporting individual or his spouse; any loan secured by a personal motor vehicle, or household furniture or appliances; and any liability owed to a relative.

TRANSACTIONS: The amount to be reported in disclosing transactions in real property or securities is the category of value of the total purchase price or total sales price, and is not related to any capital gain or loss on the transaction. Indicate whether the property was purchased, sold, or exchanged. *Exclusions:* Any purchase or sale of a personal residence, and any transactions solely by and between the reporting individual, his spouse, or dependent children.

POSITIONS HELD: Any nongovernmental position held by the reporting individual, whether compensated or uncompensated, in any business entity, nonprofit organization, labor group, educational or other institution must be reported. *Exclusions:* Positions held in any religious, social, fraternal, or political entities, and positions solely of an honorary nature.

AGREEMENTS: Continued payments or benefits from a former employer would include interests in or contributions to a pension fund, profit-sharing plan, or life or health insurance; buy-out agreements; severance payments, etc.

SPOUSE AND DEPENDENT DISCLOSURE

In general, the reporting individual is required to include financial information concerning his or her spouse or dependent children. However, in certain limited circumstances, the truly independent financial interests of a spouse or dependent would be exempt from disclosure.

Information concerning a spouse or dependent child should be reported as follows: (1) the source, but not amount, of a spouse's earned income which exceeds $1,000; (2) the source and category of value of income derived from any asset of the spouse or dependent reported under Part III of the Disclosure Statement; (3) gifts or reimbursements to the spouse, unless received totally independent of the spouse's relationship to the reporting individual; and (4) assets, liabilities, and transactions of the spouse or dependent child.

Disclosure of the financial interests and liabilities of a spouse or dependent under Parts III, IV, and V of the Statement is exempted when all three of the following circumstances are met: (1) the item is the sole interest or responsibility of the spouse or dependent child and the reporting individual has no knowledge of the item; (2) the item was not in any way, past or present, derived from the income, assets, or activities of the reporting individual; and (3) the reporting individual neither derives, nor expects to derive, any financial or economic benefit from the item. *Note:* If the reporting individual does not disclose certain financial interests or liabilities of the spouse or dependent children because these three standards for exemption are met, he or she must so indicate in Part VIII of the Statement.

The information concerning a spouse or dependent child must be reported in the same manner as that of the reporting individual. However, the person reporting need not identify which items belong to a spouse or dependent. No information is required with respect to a spouse living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation; or with respect to any income or obligations of an individual arising from the dissolution of the marriage or permanent separation.

TRUSTS

The holdings of and income from a trust or other financial arrangement in which a beneficial interest in principal or income is held by the reporting individual, his spouse, or any dependent children must be disclosed. However, the reporting individual need only report the category of the amount of income received by him, his spouse, or dependents from: (1) a trust which was not created directly by such individual, his spouse, or any dependent, and with respect to which such individual, his spouse, and dependents have no knowledge of the holdings or sources of income of the trust; or (2) a "qualified blind trust," as defined in section 102(e)(3) of the Act. Such a trust must be approved by the Committee on Standards of Official Conduct before it will be deemed a qualified blind trust under the Act.

This Financial Disclosure Statement is required by the Ethics in Government Act of 1978, as amended (2 U.S.C. § 701 et seq.). The Statements will be made available to any requesting person upon written application, and will be reviewed by the Committee on Standards of Official Conduct. Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (see 2 U.S.C. § 706 and 18 U.S.C. § 1001).

DETACH AND RETURN COMPLETED STATEMENT
(WITH TWO COPIES) TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

HAND DELIVERED

EXHIBIT NO. 41

HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

GERALDINE A. FERRARO
9TH DISTRICT, NEW YORK

May 17, 1983

1983 MAY 10 AM 4 18
U.S. HOUSE OF REPRESENTATIVES

Benjamin Guthrie
Clerk of the House
H105 The Capitol
Washington, D.C. 20515

MC/

Dear Sir:

I recently received notification from the Committee on Standards of Official Conduct that dates for honoraria received for 1982 were not included in my recently filed disclosure form. I am attaching the information you requested.

I am sorry for any inconvenience this omission may have caused the Committee and/or your office.

Sincerely,

Geraldine A. Ferraro
Member of Congress

H
Enclosure

HAND DELIVERED

MC√

Honoraria - 1982

Brookings Institution	200.00	2/11/82
American University, Washington Semester Program	25.00	3/12/82
Outdoor Advertising Assoc. of New York	500.00	3/31/82
Commodity Exchange, Inc., NY	1,000.00	6/28/82
American University, Washington Sem. Program	35.00	8/16/82
New York University	50.00	8/31/82
Chicago Mercantile Exchange & Chicago Board of Trade	1,000.00	11/23/82
Akin, Gump, Strauss, Hauer & Feld	500.00	12/9/82

1983 MAY 18 AM 4 10

91070112052

INSIDE MAIL

UNITED STATES HOUSE OF REPRESENTATIVES

Committee on Standards of Official Conduct

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT FOR 1983

FORM A- -*For use by Members, officers, and employees*

EXHIBIT NO. 42

MC

(Office Use Only)

Geraldine A. Ferraro
(Full Name)

22 Deepdene Road
(Mailing Address)

Forest Hills, NY 11375

Check the appropriate box and fill in the blanks.

☒ Check if amended Statement.

☒ Member of the U.S. House of Representatives—District 9 State N. Y.

☐ Officer or Employee—Employing Office

Note: Please read instructions carefully. Sign this form on the reverse side. Attach additional sheets if needed; identify each sheet by showing your name and the section being continued. Complete all parts. (If None, so indicate.) Please type or print clearly.

I. INCOME

A. The source, type and amount of income (including honoraria *and date received*) aggregating $100 or more in value received from any source during calendar year 1983. Exclude income from current U.S. Government employment. *Do not include here income reported in part I-B below.*

SOURCE	TYPE	AMOUNT
Schedule Attached		3,600.

B. The source, type, and category of value of income from *dividends, interest, rent, and capital gains* received from any source during calendar year 1983 which exceeds $100 in value. *Note:* For this part only, indicate Category of Value, as follows: Category A—not more than $1,000; B—$1,001-$2,500; C—$2,501-$5,000; D—$5,001-$15,000; E—$15,001-$50,000; F—$50,001-$100,000; G—over $100,000.

SOURCE	TYPE	CATEGORY
Interest	Savings	A
Dividends	Investment Fund	A
Interest	Bonds	F

II. GIFTS AND REIMBURSEMENTS

A. The source and a brief description of *gifts of transportation, lodging, food, or entertainment* aggregating $250 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION

B. The source, a brief description and value of *all other gifts* aggregating $100 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION	VALUE
None		

C. The source and a brief description of *reimbursements* aggregating $250 or more in value received from any source during calendar year 1983.

SOURCE	BRIEF DESCRIPTION
Chinese Cultural University	Air fare: New York-Taiwan Taiwan -New York; Food and lodging

(OVER)

8 0 7 0 1 1 2 0 5 3

&: For Parts III, IV, and V below, indicate Category of Value, as follows: Category A—not more than $5,000; B—$5,001-$15,000; C—$15,001-$50,000; D—$50,001-$100,000; E—$100,001-$250,000; F—over $250,000.

III. HOLDINGS

The identity and category of value of any interest in property held during calendar year 1983 in a trade or business, or for investment or the production of income, which had a fair market value exceeding $1,000 as of the end of the year.

IDENTITY	CATEGORY
Ridgewood Savings Bank	A
Congressional Credit Union	A
East River Savings Bank	A
Dreyfus Liquid Fund	A
Dreyfus Reserve Fund	A
Bonds - MAC	C
N.Y.C. G.O.	C
Gloversville	B
Common Stock -	
(1) Sh. P. Zaccaro Co., Inc.	B

IV. LIABILITIES

The identity and category of value of the total liabilities owed to any creditor which exceeded $10,000 at any time during calendar year 1983.

IDENTITY	CATEGORY
None	

V. TRANSACTIONS

A brief description, the date, and category of value of any purchase, sale, or exchange during calendar year 1983 which exceeded $1,000 in real property, or in stocks, bonds, commodities futures, or other forms of securities.

BRIEF DESCRIPTION	DATE	CATEGORY
Purchase Bonds - 25M MAC	1/12/83	C
25M N.Y.C. G.O.	1/13/83	C
10M Gloversville	2/9/83	B

VI. POSITIONS

The identity of all positions held on or before the date of filing during the current calendar year as an officer, director, trustee, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution.

POSITION	NAME OF ORGANIZATION
Secretary & Treasurer	P. Zaccaro Co., Inc.

VII. AGREEMENTS

A description of the date, parties to, and terms of any agreement or arrangement with respect to: future employment; leave of absence during period of government service; continuation of payments by a former employer other than the U.S. Government; and continuing participation in an employee welfare or benefit plan maintained by a former employer.

DATE	PARTIES TO	TERMS OF AGREEMENT
	None	

VIII. ADDITIONAL INFORMATION

A. Are you aware of any interests in property or liabilities of a spouse or dependent child or property transactions by a spouse or dependent child which you have not reported because they meet the three standards for exemption? (See Instructions) YES X NO ____

B. Do you, your spouse or dependent child receive income from or have a beneficial interest in a trust or other financial arrangement whose holdings were not reported because the trust is a "qualified blind trust" or other excepted trust? (See Instructions) YES ____ NO X

NOTE: Any individual who knowingly and willfully falsifies, or who knowingly and willfully fails to file this report may be subject to civil and criminal sanctions, (2 U.S.C. § 706 and 18 U.S.C. § 1001).

Signature	Date
	May 8, 1984

U.S. GOVERNMENT PRINTING OFFICE 84—[illegible]

Page 1 of 1

ETHICS IN GOVERNMENT ACT—FINANCIAL DISCLOSURE STATEMENT

Geraldine A. Ferraro
(Name)

Continuation Sheet

Part	Source, Type, Amount, Category Description or Value (As Applicable)	TYPE		AMOUNT
A	Avon Products Co. - Speech	Honoraria		2,000.
	IMPACT - Briefing	"	[illegible]	100.
	New York State Home Economics Assoc. - Speech	"	[illegible]	100.
	American Univ. Washington Semester Program - Speech	"	[illegible]	50.
	Union of American Hebrew Cong. - Speech	"	[illegible]	100.
	Outdoor Advertising Assoc. of America - Speech	"	[illegible]	500.
	Institute of Outdoor Advertising - Speech	"	[illegible]	500.
	Center for Study of Democratic Inst. - Speech	"	11/23/83	50.
	American Enterprises Inst. Congress Project Dinner	"	11/5/83	200.
		TOTAL		3,600.

94TH CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPORT
No. 94-1364

EXHIBIT NO. 43

IN THE MATTER OF A COMPLAINT AGAINST REPRESENTATIVE ROBERT L. F. SIKES

JULY 23, 1976.—Referred to the House Calendar and ordered to be printed

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Mr. FLYNT, from the Committee on Standards of Official Conduct, submitted the following

REPORT

together with

MINORITY VIEWS

[To accompany H. Res. 1421]

INTRODUCTION TO REPORT

This report of the Committee on Standards of Official Conduct of the House of Representatives (hereinafter "Committee") is divided into five parts. Part I explains the manner in which a formal complaint against a Member of Congress, Representative Robert L. F. Sikes of Florida, was transmitted to the Committee for investigation. Part II is a summary of the Committee's findings, conclusions and recommendations after its investigation. Part III addresses the Committee's view of its jurisdiction to investigate conduct by a Member, officer or employee of the House and the law, rule, regulation or standard of conduct applicable. Part IV is the Committee's analysis of each of the allegations in the complaint against Representative Sikes and the explanatory statements of Representative Sikes or his counsel. Part V contains the documents which are cited as references in part IV of the report.

PART I.—BACKGROUND OF COMPLAINT

On or about April 6, 1976, forty-four (44) Members of the House of Representatives [1] transmitted to the Committee a complaint,[2] in writing and under oath, from Common Cause, 2030 M Street, N.W., Washington, D.C. 20036, containing certain allegations against Representative Robert L. F. Sikes, and asked the Committee to investigate the allegations of the complaint.[3]

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[1] Exhibit 1.

[2] Exhibit 2.

[3] House Rule X 4(e)(2)(B) provides:

"(B) Except in the case of an investigation undertaken by the committee on its own initiative, the committee may undertake an investigation relating to the official conduct of an individual Member, officer, or employee of the House of Representatives only—

"(i) upon receipt of a complaint, in writing and under oath, made by or submitted to a Member of the House and transmitted to the committee by such Member."

On April 28, 1976, by a vote of 9 to 0, with one Member voting present, the Committee ordered that an inquiry be conducted into the allegations of the complaint.

On May 6, 1976, the Committee met in executive session to determine the scope of additional inquiry or investigation needed to enable the Committee to act upon the complaint. Representative Sikes and his counsel, and representatives for Common Cause and its counsel, were invited to remain in attendance at the executive session, but the representatives for Common Cause and its counsel withdrew during the course of the meeting. Upon the conclusion of the executive session, the Committee voted to make the transcript of the session public.

On May 12, 1976, the Committee, meeting in executive session, resumed its inquiry and by a vote of 9 to 0 ordered an investigation into the facts surrounding the allegations of the complaint.

The Committee met on June 9, 1976, to receive reports from Committee counsel and staff on the progress of the investigation.

On July 1, 1976, the Committee met in executive session and by a vote of 8 to 0 agreed to reports its findings, conclusions and recommendations.

On July 21, 1976, the Committee by a vote of 10 to 2 agreed to this report, with Mr. Hébert's minority views to be included therein.

Part II.—Summary of Committee's Findings and Conclusions in the Matter of Representative Robert L. F. Sikes

The Committee, after prolonged deliberation and upon full consideration of the allegations in the complaint, the Committee's investigation of the facts surrounding those allegations, and the statements of Representative Sikes and his counsel, has agreed to report the following findings, conclusions and recommendations:

With respect to the Committee's jurisdiction to investigate the charges in the complaint against Representative Sikes, and the law, rule, regulation, or standard of conduct to be applied, the Committee finds that:

1. On April 3, 1968, the House adopted House Resolution 1099, which established this Committee as a permanent standing committee of the House, and provided a Code of Official Conduct to be observed by Members, employees and officers of the House.

2. Rule X of the Rules of the House authorizes the Committee to investigate conduct which occurred prior to the establishment of the Committee and adoption of the Code of Official Conduct in 1968, as well as that occurring after. The law, rule, regulation or standard of conduct to be applied by the Committee in such an investigation must be the law, rule, regulation or standard of conduct to be observed at the time of the conduct under investigation.

3. Members of the House have always been expected to observe traditional ethical standards which prohibit conflicts of interests and use of an official position for personal benefit. The standards of ethical conduct applicable to Members of the House are best expressed in principle in the Code of Ethics for Government Service, embodied in House Concurrent Resolution 175, approved July 11, 1958 (72 Stat., pt. 2, B 12).

4. Although the Code of Ethics for Government Service was adopted as a concurrent resolution, and, as such, may have expired with the adjournment of the 85th Congress, the standards of ethical conduct expressed therein represent continuing traditional standards of ethical conduct to be observed by Members of the House at all times, which were supplemented in 1968 by a specific Code of Official Conduct.

With respect to the charges against Representative Sikes, the Committee concludes that:

1. Representative Sikes failed to report in annual disclosure statements his ownership of stock in Fairchild Industries, Inc., for each of the years 1968 through 1973 as required by House Rule XLIV (A)(1).

2. Representative Sikes failed to report in annual disclosure statements his ownership of stock in the First Navy Bank for the year 1974 as required by House Rule XLIV(A)(1).

3. Representative Sikes' vote on August 6, 1974, for a defense appropriations bill in excess of $82 billion for fiscal year 1975 (H.R. 16243) which contained, inter alia, an appropriation of over $73 million for 30 A-10 aircraft to be built by Fairchild Industries, Inc., a publicly held corporation in which he then owned 1,000 shares of common stock, was not in violation of House Rule VIII(1).

4. The evidence obtained in the investigation shows that from August of 1965 through April of 1973 Representative Sikes was active in promoting the establishment of a new bank at the Pensacola Naval Air Station to replace the banking facility that had been operated there by Florida First National Bank.

The investigation has not produced any competent evidence to support the allegation that Representative Sikes acted in violation of any law, rule, regulation or other standard of conduct applicable to Members of the House in urging responsible State and Federal Government officials to authorize the establishment of the First Navy Bank at Pensacola Naval Air Station in Florida.

The investigation has produced evidence which shows that during the period of time Representative Sikes was active in promoting the establishment of the First Navy Bank he approached (in late 1972 or early 1973) one of the two organizers of the bank and inquired about the possibility of buying stock in the Bank, and was subsequently able to purchase 2,500 shares of the Bank's privately held stock on January 4, 1973.

The standard of ethical conduct Members should observe, as is expressed in principle in Section 5 of the Code of Ethics for Government Service, and which prohibits any person in Government service from accepting "for himself, or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties", was not observed by Representative Sikes in approaching organizers of the Bank and inquiring about the possibility of purchasing stock in a bank which he had been active in his official position in establishing.

5. Representative Sikes sponsored legislation in 1961 to remove a reversionary interest and restrictions on the commercial development of land in Florida in which he had a personal financial interest by virtue of his stock ownership in two corporations that held leasehold

interests in such land, without disclosing such interest to Congress at any time during consideration of the legislation.

The standard of ethical conduct that should be observed by Members of the House, as is expressed in principle in the Code of Ethics for Government Service, and which prohibits conflicts of interests and the use of an official position for any personal benefit, was not observed by Representative Sikes in sponsoring the legislation.

The Committee has found that certain actions of Representative Sikes, which were the subject of its investigation, have violated standards of conduct applicable to all Members of Congress, as follows:

(1) The failure to report the ownership of stock in Fairchild Industries, Inc. for the years 1968 through 1973 and the First Navy Bank for the year 1974, as required by House Rule XLIV.

(2) The purchase of stock in the First Navy Bank during the period of its organization and following active efforts in his official capacity to obtain a charter and federal insurance of deposits.

(3) The sponsorship of legislation in 1961 to remove restrictions on land without disclosing to the Congress the fact he had a beneficial interest in the land affected by the legislation.

In view of the foregoing findings of the Committee we have had to address the very serious question of what if any punishment should be imposed on Representative Sikes by the House.

1. With respect to failure by Representative Sikes to report his ownership of stock in Fairchild Industries, Inc. and the First Navy Bank, the Committee believes that violations of House Rule XLIV occurred. In neither instance does it appear that the failure to report was motivated by an effort to conceal the financial holding from the Members of the House or the public. But the Committee believes that the failure to report as required by Rule XLIV is deserving of a reprimand. The adoption of this report by the House shall constitute such reprimand.

2. We have expressed our serious concern about the investment by Representative Sikes in the stock of the First Navy Bank at the Pensacola Naval Air Station. If an opinion had been requested of this Committee in advance about the propriety of the investment, it would have been disapproved. Accordingly, the Committee recommends a reprimand and the adoption of this report by the House will be considered as such reprimand.

3. The Committee is most concerned with the action of Representative Sikes in sponsoring legislation in 1961 which created an obvious and significant conflict of interest. The purpose of the legislation was to remove a reversionary interest and restrictions on property which were inhibiting its commercial development, and Representative Sikes failed to disclose his substantial interest in the affected property. Although Representative Sikes maintains he was unaware the legislation affected his property interest on Holiday Isle, there can be no doubt it covered his property interest on Santa Rosa Island. This latter interest was acquired by Representative Sikes before the legislation was introduced, but he failed to disclose these facts during the House hearings on the bill. The fact that Representative Sikes sold his property interest on Santa Rosa Island after the bill passed the House, but before passing the Senate, although tending to mitigate, failed to absolve the consequences of the conflict of interest. If such activity

had occurred within a relatively recent time frame and had just now become a matter of public knowledge, the recommendation of some form of punishment would be a matter for consideration by the Committee. However, the fact is we are confronted with events that occurred approximately 15 years ago and at least to some extent appear to have been known to Representative Sikes' constituency which has continually reelected him to Congress. For these reasons the Committee declines to make a recommendation now of formal punishment.

The Committee recommends that the House of Representatives adopt a resolution in the following form.

HOUSE RESOLUTION 1421

Resolved, that the House of Representatives adopt the Report of the Committee on Standards of Official Conduct, dated July 23, 1976, on the investigation of a complaint against Representative Robert L. F. Sikes.

PART III.—THE COMMITTEE'S JURISDICTION

On April 3, 1968, the House by a vote of 405–1 adopted House Resolution 1099, establishing the Committee on Standards of Official Conduct as a permanent, standing committee of the House, and providing a Code of Official Conduct for the Members, employees and officers of the House. Prior to the adoption of this resolution, matters of official conduct were consigned to separate select committees, a method which proved to be "cumbersomely slow" in resolving these matters.[4] This Committee was therefore charged by the House with the responsibility of overseeing the conduct of Members and employees of the House and was invested with broad powers of investigation to enable it to discharge this heavy responsibility.[5]

The Committee is authorized under House Rule X 4(e)(1)(B) "to investigate . . . any alleged violation, by a Member, officer, or employee of the House, of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities. . . ."[6]

The Committee's authority in this regard is limited, however, by the provision of Rule X 4(e)(2)(C) that:

> No investigation shall be undertaken by the committee of any alleged violation of a law, rule, regulation, or standard of conduct not in effect at the time of the alleged violation.

The meaning of this provision has been the subject of debate during the course of the Committee's investigation into the facts surrounding the allegations made in the complaint against Representative Sikes. A review of the legislative history of House Resolution 1099 has been helpful to the Committee in resolving any ambiguity.

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[4] 114 Cong. Rec. 8778 (Apr. 3, 1968).

[5] House Report No. 1176, 90th Cong., 2d Sess. 12, 13 (March 14, 1968); 114 Cong. Rec. 8778 (Apr. 3, 1968).

[6] House Rule X 4(e)(1)(B) states: "The Committee on Standards of Official Conduct is authorized: . . . (B) to investigate, subject to subparagraph (2) of this paragraph, any alleged violation, by a Member, officer, or employee of the House, of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities, and, after notice and hearing, to recommend to the House by resolution or otherwise, such action as the committee may deem appropriate in the circumstances; * * *."

In the floor discussion of House Resolution 1099 a question by Mr. Gross of Iowa on the meaning of this provision prompted the following discussion:

> Mr. **Gross**. Mr. Chairman, on page 4 lines 14 through 16, it is provided that:
> (3) No investigation shall be undertaken of any alleged violation of a law, rule, regulation, or standard of conduct not in effect at the time of the alleged violation.
>
> I would ask the gentleman from Illinois as to precisely the meaning of this language?
>
> Mr. **Price** of Illinois. This in effect means that this resolution is not retroactive through the creation and adoption of the resolution in the House.
>
> Mr. **Gross**. So that it is all prospective. Is it being provided that an investigation cannot go back on any Member who may have been here 20 years or 30 years; consider the past conduct of a Member if that Member should run afoul of this committee in the future?
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> * * * * * * *
>
> Mr. **Halleck**. If the gentleman will yield further, it seems to me it is inherent in the very essence of the law of our country that an ex post facto law is not proper; that you cannot today say that something was wrong last year, because no person could be on notice.
>
> But, obviously, any conduct that was in violation of any law prior to this time would be subject to such criminal action or other action that might be desirable, or expected and supported.
>
> * * * * * * *
>
> Mr. **Price** of Illinois. The gentleman from Indiana is correct. There may be laws already in existence. There may be some rules already in existence. There may be some legislation already in existence. But this code has not been in existence and will not be in existence until the House adopts this resolution this afternoon. I do not think the committee should go back into charges of violations of a law that was not in existence prior to the passage of this resolution.
>
> * * * * * * *
>
> Mr. **Albert**. * * * Of course, the House can go back and investigate into the activities, criminal or otherwise, of any Member. The question is, Should we, in contravention of the spirit of the Constitution, which prohibits ex post facto laws, take it upon ourselves today to investigate Members retroactively under this resolution?
>
> * * * * * * *
>
> Mr. **Albert**. There is no restriction in the resolution with respect to laws or rules that are now in effect.
>
> * * * * * * *
>
> Mr. **Belcher**. The expression "ex post facto" may not ring a bell with every Member of the House. Apparently it does not with the gentleman from Iowa. What the term means is that, if it were ex post facto, you could make a charge under this code of ethics before it was adopted by the House. That is all in the world it means. It means that a Member who has violated any rule of the House, any law, or any standard of official conduct or anything else which the House of Representatives could investigate, this resolution would not have anything in the world to do with it. 114 Cong. Rec. 8779, 8780 (Apr. 3, 1968).

The Committee finds that its investigative authority extends to conduct which occurred prior to adoption of the Code of Official Conduct in 1968, as well as that occurring after. The above-quoted language of Rule X 4(e)(2)(C) makes plain, however, that the standards to be applied in any investigation must be the ones in existence at the time of the alleged violation, and not ones developed subsequently. Conduct which was not improper at the time must not be made to appear improper by retroactive application of standards which were not then in existence. At the same time, it is clear to the

Committee from the legislative history of House Resolution 1099 that it was never the intent of the House to preclude the Committee from investigating acts which were improper when committed.

Although the adoption of the Code of Official Conduct in 1968 may have provided the House with its first permanent official code of ethics, the Committee is convinced that Members of the House have always been expected to conform to familiar ethical standards prohibiting conflicts of interests and the use of official position to benefit oneself.

In House Report No. 1176, 90th Cong., 2d Sess. (March 14, 1968) which recommended establishment of the Committee on Standards of Official Conduct as a standing committee, it was noted that:

> [A]*lthough there have been rules and constitutional provisions relating to the official conduct of Members from the First Congress*, there never has existed an institutionalized body or means expressly directed toward monitoring them. Historically, infractions usually have been dealt with when the severity or exposure of them took on such public weight as to demand that the House appoint a special committee to deal with a problem ad hoc. There have been instances when standing committees pursuing other avenues of investigation chanced upon apparent misconduct on the part of a Member and sought permission of the House by resolution to extend the scope of their investigation to deal with the discovered infraction. But both of these approaches are slow of implementation and tend to become effective only after unsavory practices have proliferated into abuse (at p. 12). (Emphasis added.)

The Committee's view is also supported by House precedents. In 1870, for example, the House censured Representatives John T. DeWeese, B. F. Whittemore, and Roderick R. Butler for the sale of appointments to the U.S. Military and Naval Academies.[7] In 1873, Representatives Oakes Ames and James Brooks were censured in connection with the Credit Mobilier Co. bribery scandal: Representative Ames, for selling stock in Credit Mobilier to Members of Congress at prices below the value of the stock in order to influence their votes, and Representative Brooks, for procuring Credit Mobilier to issue stock to one Charles H. Neilson for Representative Brooks' own benefit.[8]

Precedents of the House of Representatives might also be compared with those of the Senate. Senator Bingham of Connecticut was censured in 1929 for having placed on the Senate payroll, and used as a consultant on a pending tariff bill, one Charles L. Eyanson, who was simultaneously in the employ of the Manufacturers Association of Connecticut. Senator Bingham was censured, notwithstanding the absence of "corrupt motives" on his part, for conduct "contrary to good morals and senatorial ethics and [which] tends to bring the Senate into dishonor and disrepute".[9] In 1967 Senator Dodd of Connecticut was censured for using political funds for his personal benefit, conduct which, in the words of the censure resolution, "is contrary to accepted morals, derogates from the public trust expected of a Senator, and tends to bring the Senate into dishonor and disrepute".[10]

The Committee believes that these standards of conduct traditionally applicable to Members of the House are perhaps best expressed in the Code of Ethics for Government Service embodied in House Concurrent Resolution 175, which was appoved on July 11, 1958.[11] Although the Code was adopted as a concurrent resolution, and, as such, may have no legally binding effect,[12] the Committee believes the Code of Ethics for Government Service nonetheless remains an expression of the traditional standards of conduct applicable to Members of the House prior both to its adoption and the adoption of the Code of Official Conduct in 1968. As is explained in House Report No. 1208, 85th Congress, 1st Session, August 21, 1957:

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[7] 2 Hinds, secs. 1239, 1273, 1274.

[8] 2 Hinds, sec. 1286.

[9] 6 Cannon, sec. 239.

[10] Sen. Res. 112, 113 Cong. Rec. 17011, 90th Cong., 1st Sess. (June 23, 1967).

> House Concurrent Resolution 175 is essentially a declaration of fundamental principles of conduct that should be observed by all persons in the public service. It spells out in clear and straight forward language *long-recognized* concepts of the high obligations and responsibilities, as well as the rights and privileges, attendant upon services for our Government. It reaffirms the *traditional standard*—that those holding public office are not owners of authority but agents of public purpose—concerning which there can be no disagreement and to which all Federal employees unquestionably should adhere. It is not a mandate. It creates no new crime or penalty. Nor does it impose any positive legal requirement for specific acts or omissions. (Emphasis added.)

Thus, even assuming that House Concurrent Resolution 175 may have "died" with the adjournment of the particular Congress in which it was adopted, as one commentator seems to suggest,[13] the traditional standards of ethical conduct which were expressed therein did not.

The Committee is cognizant of the fact that these traditional standards of conduct as expressed in the Code of Ethics for Government Service, and as revealed in House precedents, are not delineated with any great exactitude and may therefore prove difficult in enforcement. The Committee is likewise aware that because of the generality of these standards their violation is easily alleged, and that this may be subject to some abuse. However, the Committee believes it was for the very purpose of evaulating particular situations against existing standards, and of weeding out baseless charges from legitimate ones, that this Committee was created. As was stated in House Report No. 1176, 90th

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[11] CODE OF ETHICS (72 Stat., pt. 2, B 12, July 11, 1958).—

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the following Code of Ethics should be adhered to by all Government employees, including officeholders:

CODE OF ETHICS FOR GOVERNMENT SERVICE

Any person in Government service should:

1. Put loyalty to the highest moral principles and to country above loyalty to persons, party, or Government department.
2. Uphold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion.
3. Give a full day's labor for a full day's pay; giving to the performance of his duties his earnest effort and best thought.
4. Seek to find and employ more efficient and economical ways of getting tasks accomplished.
5. Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration, or not; and never accept, for himself, or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties.
6. Make no private promises of any kind binding on the duties of office, since a Government employee has no private word which can be binding on public duty.
7. Engage in no business with the Government, either directly or indirectly, which is inconsistent with the conscientious performance of his governmental duties.
8. Never use any information coming to him confidentially in the performance of governmental duties as a means of making private profit.
9. Expose corruption wherever discovered.
10. Uphold these principles, ever conscious that a public office is a public trust.

[12] See Floyd M. Riddick, United States Congress Organization and Procedure, 1949, p. 21.

[13] 5 Hinds, § 7053, p. 1023, n. 1. See also "Deschler's Procedure", chap. 17, § 4.4 (1975).

Cong. 2d Sess. (March 14, 1968) in recommending the creation of this Committee as a standing committee of the House:

> Some instrumentality, preferably the continuing committee, must necessarily serve as the determinant of the subjective terms necessary in spelling out the Code of Official Conduct. An essential difference between a statute and a standard is that the former usually is capable of precise definition and therefore may be objectively tested, whereas the latter can only be stated in subjective language and must rely on the facts as determined in each situation. If it should be necessary to measure an allegation against a standard, that measurement will be as meaningful as the depth to which the measuring body draws out the facts and nuances. Clearly this can be done better by a body smaller and more flexible than the entire House, and one that is more acquainted with the history and development of the standards and enforcement procedures, than special committees created to deal only with individual cases as they arise. (at p. 13).

PART IV.—COMMITTEE'S ANALYSIS OF THE ALLEGATIONS

I. Allegations Concerning Failure to Disclose Certain Stock Ownership

The complaint alleges that Representative Sikes failed to disclose ownership of certain stock in violation of House Rule XLIV(A)(1). Adopted in 1968, Rule XLIV provides:

> FINANCIAL DISCLOSURE
>
> Members, officers, principal assistants to Members and officers, and professional staff members of committees shall not later than April 30, 1969, and by April 30 of each year thereafter, file with the Committee on Standards of Official Conduct a report disclosing certain financial interests as provided in this rule. The interest of a spouse or any other party, if constructively controlled by the person reporting, shall be considered to be the same as the interest of the person reporting. The report shall be in two parts as follows:

Part A-1 provides that the report shall:

> PART A
>
> 1. List the name, instrument of ownership, and any position of management held in any business entity doing a substantial business with the Federal Government or subject to Federal regulatory agencies, in which the ownership is in excess of $5,000 fair market value as of the date of filing or from which income of $1,000 or more was derived during the preceding calendar year. Do not list any time or demand deposit in a financial institution, or any debt instrument having a fixed yield unless it is convertible to an equity instrument.

A. OWNERSHIP OF FAIRCHILD INDUSTRIES, INC. STOCK

1. Case presented in complaint to support allegation

The complaint alleges that in the early 1960's Representative Sikes purchased 1,000 shares of stock in Fairchild Industries, Inc. (hereinafter "Fairchild") and held the stock until July 8, 1975. The complaint maintains "it is clear that Fairchild was 'doing a substantial business with the Federal Government.' since it was listed by the Department of Defense among the top 103 defense contractors since 1968, and the top 50 since 1971." The value of these shares, the complaint continues, "at all times during the years 1968 through 1972, and at certain times during 1973, was in excess of $5,000."

The complaint asserts that Representative Sikes was required but failed to disclose his ownership of Fairchild stock for each year from 1968 through 1972 and "perhaps" was required to file for 1973 as well. The complaint notes that Representative Sikes filed a report in 1975 with the Committee listing his ownership of the Fairchild stock in 1974.

2. Explanatory statements by Representative Sikes

In a July 8, 1975, letter to the Chairman of the Committee, Representative Sikes stated that he was selling his 1,000 shares of stock in Fairchild that day and that following the transaction neither he nor any member of his family would own stock in that company. In that letter, Representative Sikes explained that he acquired the Fairchild stock in the early 1960's "to show confidence in the company and appreciation for the fact that it was employing residents in my District." He continued "Questions have been raised about the propriety of this stock ownership by the liberal press which is apparently unable to comprehend considerations such as those which governed my action." [14]

In an October 28, 1975, letter from Representative Sikes to his House colleagues he said, "I admit an omission in failing to report ownership of the Fairchild stock for several years. This simply was an oversight. The stock has subsequently been sold. I realized no profit on the transaction." [15]

Representative Sikes filed a statement with the Committee on May 6, 1976, which he also submitted for printing in the Congressional Record. In that statement he explained his failure to file the reports as follows:

> When the rules of disclosure were adopted in 1968, I made a judgment common to others (i.e., that if less than $1,000 a year was realized on any security it was not required to be reported) . . . when advised that disclosure was required by the Committee's interpretation even if my income involved only $150 a year, I promptly and formally advised the Committee that mine was an inadvertent omission and the stock was sold.[16]

Counsel for Representative Sikes filed a statement with the Committee on May 6, 1976,[17] in which he also complained that the reporting requirement of Rule XLIV(A)(1) was unclear in this regard. That statement was submitted by Representative Sikes for printing in the Congressional Record on May 7, 1976.

3. Committee's findings and conclusions

On May 12, 1976, the Committee addressed interrogatories to Representative Sikes requesting that he provide the Committee with all information relating to his acquisition and sale of stock in Fairchild during the years in question.[18]

According to Representative Sikes' sworn answers to the interrogatories, he initially acquired stock in Fairchild in April of 1964. He acquired at that time 500 shares of common stock, at a price of $7 per share.[19] Three more purchases were made in the next five years:

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[14] Exhibit 2, Attachment Y.
[15] Exhibit 2, Attachment B.
[16] Exhibit 3.
[17] Exhibit 4.
[18] Exhibit 6.
[19] Exhibit 6, Answers to Questions 2 & 3.

(1) on June 10, 1965, 500 shares were acquired at $7½ per share: (2) on August 13, 1968, 500 shares were acquired at $15⅝ per share; and (3) on June 17, 1969, 300 shares were acquired at $14 per share.[20]

Thus between April of 1964 and June of 1969 Representative Sikes acquired a total of 1,800 shares of Fairchild stock at a cost of more than $19,000.

During 1968, the first year for which disclosure was required by Rule XLIV(A)(1), Representative Sikes owned 1,500 shares of Fairchild stock. During this period, a share of Fairchild stock listed on the New York Stock Exchange at between $14⅜ and $23⅞ per share.

During 1969, by which time Representative Sikes had increased his holdings to 1,800 shares of Fairchild stock, the range of Fairchild stock on the New York Stock Exchange was between $10⅞ and $24¼ per share.

During 1970, when Representative Sikes held 1,800 shares of Fairchild stock, the range of the stock on the New York Stock Exchange was between $6 and $13½ per share.

In December of 1971, Representative Sikes sold 800 of his 1,800 shares. Fairchild stock was listed on the New York Stock Exchange at between $7⅝ and $13⅜ per share in 1971.

By 1972, Representative Sikes had, as noted, reduced his holding of Fairchild stock to 1,000 shares. Fairchild stock was listed on the New York Stock Exchange at between $9 and $14¼ per share during that year. As of March 29, 1973, the filing date of Representative Sikes' 1972 report,[21] Fairchild stock was listed at $9¼ per share.

During 1973 Fairchild stock listed at between $3¾ and $13⅜ per share. As of April 9, 1974, the filing date of his 1973 report, Fairchild stock was listed at $5¼ per share.

Thus, taking the price at which Fairchild stock was listed on the New York Stock Exchange during each of the years 1968 through 1973,[22] and as of March 29, 1973, and April 9, 1974, as an indication of the "fair market value" of that stock, the Committee finds that Representative Sikes' Fairchild stock had a fair market value in excess of $5,000 and was required to be disclosed for each of the years 1968 through 1973.

Representative Sikes did disclose his ownership of Fairchild stock in his report for 1974 which was filed with the Committee on April 24, 1975. On July 10, 1975, Representative Sikes states he sold his remaining shares of Fairchild stock for $8,250 ($8¼ per share), for a loss of $4,173.19, inclusive of purchase and sales costs.[23]

The Committee must reject the argument that House Rule XLIV can be interpreted that if less than $1,000 a year in income is realized on any security it is not required to be reported. The language of Rule XLIV reads: "in which the ownership is in excess of $5000 fair market value as of the date of filing or from which income of $1000 or more was derived during the preceding calendar year." The definition of income contained in instructions for the report states: "*Income* ($1,000 or more, previous calendar year): Received from a single source in dividends, retainer, salary, consulting fees or other. (Note that *either* the $5,000 fair market value criteria, *or* this provision, determine the requirement for listing under item 1 of Part A.)". (italicized words are italicized in the instructions.)

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[20] Exhibit 6. Answers to Questions 2 & 3.

[21] House Rule XLIV(A)(1) states: "in which the ownership is in excess of $5,000 fair market value as of the date of filing. . . ."

[22] According to the New York Stock Exchange Stock Reports published by the Standard and Poor's Corporation, 1975 ed.

[23] Exhibit 6. Answer to Question 4.

The Committee believes that in any case in which a Member thinks there is an ambiguity in the reporting requirements it should either be resolved in favor of disclosure or an advisory opinion sought from the Committee.[24]

B. OWNERSHIP OF FIRST NAVY BANK STOCK

1. Case presented by complaint to support allegation

The complaint cites Representative Sikes' ownership of shares of common stock in the First Navy Bank on Pensacola Naval Air Station in Florida from October 24, 1973, until January 19, 1976. The complaint maintains that the bank was subject to regulation by a Federal agency, i.e., the Federal Deposit Insurance Corporation, and throughout the period from late 1973 to 1975 the fair market value of Representative Sikes' stock was at least $21,000.

The complaint asserts that Representative Sikes was required but failed to disclose in his 1974 report to the Committee his ownership of First Navy Bank stock during 1973, in violation of House Rule XLIV(A)(1). The complaint notes that Representative Sikes filed a report in 1975 that listed his ownership of this stock in 1974.

2. Explanatory statements by Representative Sikes

In his October 28, 1975, letter to his colleagues, Representative Sikes discussed his ownership of 1,400 shares of First Navy Bank stock, noting that the Comptroller of the State of Florida "has said publicly that my involvement is legal and proper."[25] In a January 19, 1976, letter to the Chairman of the Committee, Representative Sikes stated he had sold the remainder of his stock in the First Navy Bank.[26]

In his May 6, 1976, statement filed with the Committee, Representative Sikes states it was his opinion and that of his office staff that a state bank insured by the Federal Deposit Insurance Corporation (hereinafter "FDIC") was not subject to a Federal regulatory agency as contemplated by Rule XLIV(A)(1). For this reason, according to Representative Sikes, his ownership of stock in the First Navy Bank was not reported. In his statement of May 6, 1976, Representative Sikes also states that upon being informed the First Navy Bank had become a member of the Federal Reserve System on August 30, 1974, the stock was reported.[27]

Counsel for Representative Sikes also argues that disclosure of Representative Sikes' ownership of First Navy Bank stock in his 1973 report was not required because First Navy Bank, as a state chartered bank, was not at that time subject to a Federal regulatory agency.[28] He notes that the instructions which are part of the disclosure form prepared pursuant to Rule XLIV state that generally the test to be applied in determining whether any business entity is subject to federal regulatory agencies is, whether a "Federal regulatory body is authorized to grant or deny licenses, franchises, quotas, subsidies, etc., that could substantially affect the fortunes of the business entity involved." He argues that the FDIC does not grant or deny licenses, franchises, quotas, or subsidies, and thus the First Navy Bank stock was not under the purview of House Rule XLIV.[29]

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[24] House Rule X(e)(1)(D) states: "The Committee on Standards of Official Conduct is authorized . . . (D) to give consideration to the request of any Member, officer, or employee of the House for an advisory opinion with respect to the general propriety of any current or proposed conduct of such Member, officer or employee and, with appropriate deletions to assure the privacy of the individual concerned, to publish such opinion for the guidance of other Members, officers, and employees of the House."

[25] Exhibit 2, Attachment B.

[26] Exhibit 7.

[27] Exhibit 3.

3. Committee's findings and conclusions

The Committee also addressed interrogatories to Representative Sikes on May 12, 1976, requesting that he provide certain information relating to his ownership of stock in First Navy Bank. Representative Sikes, in answer to the Committee's interrogatories, admits under oath that he purchased on January 4, 1973, 2500 shares of stock in the bank at $15 per share. Representative Sikes states he retained these 2500 shares until late 1974, whereupon he sold 100 shares at $15 per share on June 12, 1974, and in two separate transactions on December 24, 1974, he sold 1000 shares at $20 per share.[30]

Representative Sikes first disclosed ownership of his remaining 1,400 shares of First Navy Bank stock in his report for 1974, filed with the Committee on April 24, 1975.

The First Navy Bank was insured from November 22, 1972, on by the FDIC.[31] The Committee takes notice of the fact the FDIC has extensive powers with respect to State banks insured by it,[32] including the power to terminate their insured status, to issue cease-and-desist orders, and to suspend or remove directors and officers of the banks, the exercise of which could, in the opinion of the Committee, substantially affect a member bank.

Accordingly, the committee rejects the argument that a State bank which is insured by the FDIC is not subject to a Federal regulatory agency as contemplated by House Rule XLIV(A)(1).

The Committee would note this very question was raised on the floor of the House during the debate on House Resolution 1099 to which Representative Price, a member of this Committee and then chairman, replied unequivocally that yes, a State bank regulated by the FDIC would fall under the disclosure requirements of Rule XLIV(A)(1).[33] Any question that Representative Sikes may have had about the status of FDIC regulated banks might have been referred to the Committee in a request for an advisory opinion.

It is in any case clear that Representative Sikes was required to disclose ownership of First Navy Bank stock in his report for 1973.

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[28] Exhibit 4.

[29] Exhibit 4.

[30] Exhibit 6, Answer to Question 13.

[31] See Exhibit 6, Attachment 17P.

[32] See 12 U.S.C. §§ 1811–1832.

[33] Mr. Bingham. I thank the gentleman.

I have a further question as to line 7 of the same page, with reference to "business entity" and "subject to Federal regulatory agencies." Would that include, for example, a State bank whose deposits are regulated by the FDIC?

Mr. Price of Illinois. Yes, it would. 114 Cong. Rec. 8807 (Apr. 3, 1968).

II. Allegation Concerning Failure to Abstain From Voting

The complaint alleges that Representative Sikes voted for passage of a Defense Appropriations bill in which he had "a direct pecuniary interest" and thus violated House Rule VIII. Section 1 of that rule, cited by the complaint, states:

> Every Member shall be present within the Hall of the House during its sittings, unless excused or necessarily prevented; and shall vote on each question put, unless he has a direct personal or pecuniary interest in the event of such question.

1. Case presented in complaint to support allegation

The complaint states that on August 6, 1974, Representative Sikes voted for passage of the Defense Appropriations bill for Fiscal 1975, H.R. 16243. This bill, the complaint continues—

> contained an appropriation of over $73.2 million for procurement of airframes for 30 A-10 close air support aircraft to be built by Fairchild Industries, Inc. At the same time that Rep. Sikes cast this vote favoring Fairchild, he was the owner of 1,000 shares of stock in that corporation. . . . Thus, Rep. Sikes had a direct pecuniary interest in the Defense Appropriations bill for Fiscal 1975. His vote on that bill was in violation of House Rule VIII.

2. Explanatory statements by Representative Sikes

In his October 28, 1975, letter to House colleagues, Representative Sikes observed that the basis for criticism by Common Cause was "that I owned 1,000 shares of stock in the company when I voted for funds for the A-10 which is manufactured by Fairchild." He defended his action by stating:

> I voted for the A-10 because it had won grueling and intensive competition in a flyoff with other aircraft and had been recommended by the Air Force and the Department of Defense as the best available close-support aircraft which would also serve as a tank killer and be best able to survive in the battlefield environment of the 1980's. If I had sought to profit from Fairchild, I would have purchased much more.

Representative Sikes stated further that when he sold his Fairchild stock in July, 1975, he "realized no profit on the transaction." [34]

3. Committee's findings and conclusions

On August 6, 1974, Representative Sikes joined 349 of his colleagues in voting for a defense appropriations bill for Fiscal 1975 (H.R. 16243) which contained, inter alia, an appropriation of over $73 million for airframes for 30 A-10 aircraft to be built by Fairchild Industries, Inc. At the time of the vote Representative Sikes was the owner of 1,000 shares of Fairchild common stock [35] which fact was not reported to the House until April 24, 1975.

According to the statements of Representative Sikes, he acquired the Fairchild stock in order to show his appreciation and support for the company after it opened a branch plant in his Congressional District in 1963.[36]

The Committee notes that the appropriations which were earmarked for Fairchild in H.R. 16243 represented the third increment purchase of A-10 aircraft from Fairchild, the contract to build the A-10 having been signed by Fairchild and the U.S. Air Force early in 1973.[37] The

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[34] Exhibit 2, Attachment B.

[35] See Exhibit 6, Answer to Question 4.

[36] Exhibit 3.

[37] Hearings on Department of Defense Appropriations for 1975 (H.R. 16243) before Subcommittee of House Committee on Appropriations, 93d Cong., 2d Sess., Part 7, 1656 (1974); See also House Rept. No. 93-1255, 93d Cong., 2d Sess. 127 (1974).

Committee has found no evidence to indicate that Representative Sikes in any way influenced or attempted to influence the award of the contract.

The sole issue, then, is whether Representative Sikes violated House Rule VIII(1) by reason of his having voted for H.R. 16243. The weight of Congressional precedents strongly suggests that he did not.

House precedents establish the rule that "where the subject matter before the House affects a class rather than individuals, the personal interest of Members who belong to the class is not such as to disqualify them from voting." This principle was followed by the House as recently as December 2, 1975, when the question arose whether House Rule VIII(1) would disqualify Members holding New York City securities from voting on a bill to provide federal guarantees for these securities. Speaker Albert ruled that a point of order to disqualify Members holding such securities would not be sustained:

> The SPEAKER. The gentleman from Maryland (Mr. Bauman) has addressed an inquiry to the Chair on the application to pending legislation of rule VIII, clause 1, providing that each Member shall vote on each question unless he has a direct personal or pecuniary interest therein. Specifically, the gentleman inquires whether under rule VIII Members holding obligations of the State or city of New York and agencies thereof, or having other financial interests dependent upon the fiscal affairs of New York, are required to refrain from voting on H.R. 10481, authorizing emergency guarantees of obligations of States and political subdivisions thereof, and for other purposes.
>
> The Chair has researched the application of rule VIII, clause 1, in anticipation that the inquiry would be made, and desires to address two fundamental issues. The first is the nature of a disqualifying interest under the rule, and the second is the responsibility to enforce its provisions.
>
> The Chair would first note that H.R. 10481, as reported to the House, is general legislation affecting all States and their political subdivisions. While it may be urged that the passage of the bill into law in its present form would have an immediate effect on only one State, the reported bill comprehends all States and territories. The Chair recognizes, however, the possibility that the bill may be narrowed by amendments to affect a more limited class of private and governmental institutions.
>
> The general principle which the Chair would like to bring to the attention of Members is cited at volume 8, Cannon's Precedents, section 3072, as follows:
>
> "Where the subject matter before the House affects a class rather than an individual, the personal interest of Members who belong to the class is not such as to disqualify them from voting."
>
> Speaker Longworth held on that occasion that Members holding stock in nationwide corporations possibly affected by the pending bill belonged to a large class of persons holding such stock, and could not, therefore, be disqualified from voting on the bill. The Speaker cited with approval a similar decision by Speaker Clark, noted at 8 Cannon's Precedents, section 3071. The legislation in issue in both rulings affected not one corporation or institution but many spread across the country, as does the pending bill in its reported form. Cong. Rec. H 11594, 11595 (daily ed. Dec. 2, 1975).

The Committee notes that the Fairchild appropriations, though substantial, were but part of total appropriations in excess of $82 billion authorized by H.R. 16243. In light of the generalized character and scope of the appropriations authorized by H.R. 16243, the Committee concludes that Representative Sikes' ownership of 1,000 shares, out of more than 4,550,000 shares outstanding,[38] in one of the companies benefited by the bill was not, under House precedents, sufficient to disqualify him from voting on the bill.

The Committee wishes to emphasize that under House precedents each individual Member has the responsibility of deciding for himself whether his personal interest in pending legislation requires that he abstain from voting:

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[38] Moody's Handbook of Common Stocks, Winter 1976 ed.

> The SPEAKER * * * The question as to the enforcement of the disqualification clause has been squarely addressed in the precedents heretofore cited.
>
> Speaker Clark held that the question whether a Member's interest was such as to disqualify him from voting was an issue for the Member himself to decide and that the Speaker did not have the prerogative to rule against the constitutional right of a Member representing his constituency. Speaker Blaine stated that the power of the House to deprive one of its Members of the right to vote on any question was doubtful.
>
> The Chair has been able to discover only two recorded instances in the history of the House of Representatives where the Speaker has declared Members disqualified from voting, and the last such decision occurred more than 100 years ago.
>
> Because the Chair severely doubts his authority to deprive the constitutional right of a Member to vote, and because he has attempted, in response to this inquiry, to afford information for the guidance of Members, the Chair finds that each Member should make his own determination whether or not his personal interest in the pending bill, or in any amendment thereto, should cause him to withhold his vote.
>
> The Chair accordingly answers the parliamentary inquiry. Cong. Rec. H. 11595 (daily ed. Dec. 2, 1975).

Accordingly, the Committee concludes that Representative Sikes' vote on August 6, 1974, for a defense appropriations bill in excess of $82 billion for fiscal year 1975 (H.R. 16243) which contained, inter alia, an appropriation of over $73 million for 30 A–10 aircraft to be built by Fairchild Industries, Inc., a publicly held corporation in which he then owned 1,000 shares of common stock, was not in violation of House Rule VIII(1).

III. Allegation Concerning the Use of Improper Influence

The complaint alleges that Representative Sikes urged responsible State and Federal Government officials to authorize the establishment of the First Navy Bank and received "a substantial benefit as a result of his activities." These actions, the complaint concludes, constituted a violation of House Rule XLIII(3) and Section 5 of the Code of Ethics for Government Service (72 Stat., pt. 2, B12 [1958]).

House Rule XLIII(3) provides that:

> A Member, officer, or employee of the House of Representatives shall receive no compensation nor shall he permit any compensation to accrue to his beneficial interest from any source the receipt of which would occur by virtue of influence improperly exerted from his position in Congress.

Section 5 of the Code of Ethics for Government Service (72 Stat., pt. 2, B12 [1958]), provides that:

> Any person in Government service should . . . [n]ever discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration, or not; and never accept, for himself, or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties.

1. Case presented in complaint to support allegation

The complaint alleges that for approximately 32 years the Florida First National Bank operated a banking facility at Pensacola Naval Air Station, and that in October of 1973, Florida First National Bank was replaced on the base by the First Navy Bank. This event, the complaint maintains, "marked the ultimate success of two attempts made by the founders of the First Navy Bank to replace Florida First National." The complaint alleges that Representative Sikes "assisted" the founders of First Navy Bank in the following ways:

> By writing an August 12, 1965, letter to the Regional Comptroller of the Currency, urging approval of the bank, and recommending one of the proposed directors;
>
> By accompanying an agent for the founders group to an August 12, 1965, meeting with the Deputy Comptroller of the Currency on the pending application for a Federal charter;
>
> By writing a July 12, 1966, letter on Congressional stationery to the Special Assistant to the Comptroller of the Currency on the pending application for a Federal charter, in which Representative Sikes stated he would appreciate the latter's "cooperation and helpfulness in this matter."
>
> By contacting the office of the Florida State Comptroller in 1972 regarding the First Navy Bank's state charter application and, also in 1972, purportedly directing inquiries about the Bank's application for deposit insurance through staff members of his office to the Federal Deposit Insurance Corporation.

The complaint asserts that "over a period of seven years, Representative Sikes intervened with various state and federal officials to secure the establishment of the First Navy Bank on the Pensacola Naval Air Station". According to the complaint, on the day of the Bank's opening in October, 1973, Representative Sikes owned 2,500 shares of stock in the Bank, valued at $15 a share. The complaint alleges that as a result of his activities on behalf of the Bank, Representative Sikes "received a substantial benefit" when the Bank was formally established, which constituted a violation of House Rule XLIII(3) and Section 5 of the Code of Ethics for Government Service.

2. *Explanatory statements by Representative Sikes*

In his October 28, 1975, letter to House colleagues, Representative Sikes defended his actions in support of establishment of the First Navy Bank:

> This bank was established because the branch facility already located there had failed to give needed service, and year after year, despite repeated requests, refused to improve their services. The Department of the Navy in Washington approved the plan because of demonstrated need. The State Comptroller approved the request for a charter. I recommended that it be established because the need was clear. When the bank was established, a number of naval officers purchased stock, generally in small amounts. They considered it a good investment. None are major stockholders.

In the same letter, Representative Sikes also defended his then ownership of 1,400 shares of First Navy Bank stock with the statement that the Comptroller of the State of Florida "has said publicly that my involvement is legal and proper." [39]

Representative Sikes made similar statements earlier in a July 10, 1975, letter to John W. Gardner, Chairman of Common Cause, and commented that his holdings of 1,400 shares of First Navy Bank stock are "a small part of the total stock in the bank." [40] In a January 19, 1976, letter to the Chairman of the Committee, Representative Sikes stated he had sold the remainder of his stock in the First Navy Bank.[41]

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[39] Exhibit 2, Attachment B.
[40] Exhibit 2, Attachment A.

3. Committee's findings and conclusions

On October 26, 1973, the First Navy Bank opened on Pensacola Naval Air Station.[42] According to Representative Sikes' answers to interrogatories from the Committee, he was a shareholder in First Navy Bank at the time it opened, having paid $37,500 to purchase 2,500 shares of the Bank's stock at $15 per share on January 4, 1973.[43]

The Committee's investigation indicates that Representative Sikes' involvement and interest in First Navy Bank began considerably earlier than this January, 1973, date would suggest.

In August of 1965, an application for a Federal bank charter was filed by a group of local businessmen seeking to establish a full service bank on Pensacola Naval Air Station. On August 12, 1965, Representative Sikes sent a letter to the Regional Comptroller of the Currency, in which he recommended highly the applicants and urged that the requested Federal bank charter be granted.[44] On that same day, according to the records of the Deputy Comptroller of the Currency, an agent for the applicants, one Porter F. Bedell, visited him at his office in Washington, D.C., to discuss the pending application, accompanied by Representative Sikes.[45]

On June 3, 1966, Representative Sikes wrote to the Deputy Comptroller, Department of the Navy, "reiterat[ing]" his interest in the proposed bank, and stating: "Before a final decision is reached, I would like to talk with you about the matter." [46]

On July 12, 1966, Representative Sikes wrote to the Special Assistant to the Comptroller of the Currency,[47] forwarding a copy of a letter by the Commanding Officer of Naval Air Training, Pensacola, Florida, which recommended establishment of a full-service bank on the base.[48]

The application for a Federal bank charter was denied on or about February 24, 1967.

In October of 1971, another attempt was made to establish a full-service bank on the Pensacola base. An application was filed with the Florida State Comptroller for a charter to establish a state bank on Pensacola Naval Air Station to be called the "Bank of the Blue and Gold." Porter F. Bedell was one of the Bank's organizers [49] and was later named its president.[50]

In a letter dated June 23, 1972, the Comptroller of the State of Florida, in response to a prior inquiry from Representative Sikes, advised Representative Sikes of the status of the application of the Bank of the Blue and Gold, and assured him that he would keep him "posted . . . both as to the exact dates for the [examiners'] survey and thereafter as soon as I receive the report incident thereto." [51]

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[41] Exhibit 7.
[42] *See* Exhibit 6, Answer to Question 9.
[43] *See* Exhibit 6, Answer to Question 9.
[44] Exhibit 2, Attachment BB.
[45] Exhibit 2, Attachment CC.
[46] Exhibit 6, Attachment 17E.
[47] Exhibit 6, Attachment 17B.
[48] Exhibit 2, Attachment EE.
[49] *See* Exhibit 6, Answers to Questions 9 and 11.
[50] *See* Exhibit 6, Attachment 14E.
[51] Exhibit 6, Attachment 17G.

On June 26, 1972, the Comptroller of Florida advised Representative Sikes that the application was confirmed and field surveys and examinations had been scheduled.[52]

In order for the proposed bank to obtain its state charter it was necessary that the Federal Deposit Insurance Corporation (hereinafter "FDIC") agree to insure its deposits.[53] On August 25, 1972, Representative Sikes instructed his office staff to "follow up" on the Bank's application for FDIC insurance once the application arrived in Washington.[54] On August 28, 1972, Representative Sikes' office contacted Mr. Tim Reardon, Congressional Liaison for the FDIC, about expediting the Bank's application for insurance.[55] According to an interoffice memorandum dated August 28, 1972, Mr. Reardon's secretary informed a member of Representative Sikes' office staff that Mr. Reardon was "aware of Mr. Sikes' interest in expediting this application" and promised that Mr. Reardon would "expedite this application as much as he can."

On September 1, 1972, Mr. Reardon telephoned Representative Sikes' office with information that the Regional Office had requested additional information from the organizers of the Bank which was to be forwarded to Washington.[56]

On September 18, 1972, a member of Representative Sikes' office staff talked with Mr. Reardon's Secretary who reported that the Bank's application was being processed and that "Mr. Reardon has promised to give us advance notice and said to assure you he is expediting it as much as possible."[57]

On September 28, 1972, a member of Representative Sikes' office staff inquired of Mr. Reardon's office as to the status of the Blue and Gold Bank's FDIC insurance application and was informed it was hopeful "this application would be ready for consideration by the Board" next week.[58]

On October 16, 1972, a member of Representative Sikes' office staff called Mr. Reardon's office to check on the application and reported that more information had been requested by the Regional Director.[59]

On November 8, 1972, an inquiry to Mr. Reardon's office by a member of Representative Sikes' office staff received a response to the effect that the Blue and Gold Bank's application was pending action by the Board of Directors.[60]

On November 22, 1972, a member of Representative Sikes' office staff reported that the "FDIC called to advise the Board of Directors has approved the Blue and Gold Bank application."[61]

Representative Sikes answered the Committee's interrogatories of May 12, 1976, as to the time and circumstances under which he became a stockholder in the Bank as follows:

* * * * * * *

Question 9. Did you seek or initiate the acquisition of shares in the Bank or did someone contact you about becoming a shareholder?

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[52] Exhibit 6, Attachment 17H.
[53] *See* Exhibit 8.
[54] Exhibit 6, Attachment 17J.
[55] Exhibit 6, Attachment 17J.
[56] Exhibit 6, Attachment 17J.
[57] Exhibit 6, Attachment 17L.
[58] Exhibit 6, Attachment 17M.
[59] Exhibit 6, Attachment 17N.
[60] Exhibit 6, Attachment 17O.
[61] Exhibit 6, Attachment 17P.

Answer. I inquired about buying some stock subsequent to the approval of the charter. On August 21, 1972, all stock was subscribed for and the list of initial stockholders was filed with the Comptroller of the State of Florida. I was not part of that group. The charter for the bank was approved on August 21, 1972. Subsequently, I am told Mr. C. P. Woodbury, who had subscribed for a large amount of stock, returned some of his stock to the Bank's own pool of stock which then became available for resale.

Sometime in late 1972 or early 1973, I approached either Porter Bedell or C. P. Woodbury, two of the organizers of the Bank, about the possibility of my buying some stock. I was advised that I could buy some stock from the Bank's pool of stock. Thereupon, on January 4, 1973, I sent my personal check for $37,500 to cover purchase of this stock. (A copy of this check appears as Exhibit "A" in response to Interrogatory No. 14.)

When the Bank opened on October 26, 1973, I was a stockholder.

Question 10. What is the approximate date when you first had discussion or communication, directly or indirectly, in writing or otherwise, about becoming a shareholder in the Bank?

Answer. I do not recall precisely, but it was around the first of 1973.

Question 11. With whom did such discussion or communication occur?

Answer. Either Porter Bedell or C. P. Woodbury, both of whom were among the initial investors and organizers.

* * * * * * *

On April 10, 1973, and after he became a stockholder in the Bank, Representative Sikes wrote on Congressional stationery to the Assistant Secretary of the Navy for Financial Management, seeking to change the name of the bank from the Blue and Gold Bank to the First Navy Bank.[62] No mention was made in this letter of Representative Sikes' ownership of First Navy Bank stock. The requested name change was approved.

On October 26, 1973, First Navy Bank opened for business on Pensacola Naval Air Station. Representative Sikes was a speaker at the opening ceremonies.

On June 12, 1974, Representative Sikes sold 100 of his shares of First Navy Bank stock at his purchase price of $15 per share to one H. A. Brosnaham, Jr.[63]

On August 30, 1974, First Navy Bank obtained membership in the Federal Reserve System.[64]

On December 24, 1974, Representative Sikes sold 1,000 shares of First Navy Bank stock at $20 per share, 500 each to the Bank of the South Profit Sharing Plan and the First Navy Bank Profit Sharing Plan.[65]

On December 11, 1975, Representative Sikes sold his remaining 1,400 shares of First Navy Bank stock to a total of seven individual buyers at a price of $17.50 per share.[66] Representative Sikes thus made a profit of $8,500 on his First Navy Bank stock, not including purchase and sale costs, having purchased them at a total cost of $37,500 and sold them for a total of $46,000.

The Committee has not found any competent evidence to support the allegation that Representative Sikes acted in violation of any law, rule, regulation or other standard of conduct applicable to Members of the House in urging responsible State and Federal Government officials to authorize the establishment of the First Navy Bank at Pensacola Naval Air Station in Florida.

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[62] Exhibit 6, Attachment 17D.
[63] Exhibit 6, Answer to Question 13.
[64] *See* Exhibit 3.
[65] Exhibit 6, Answer to Question 13.
[66] Exhibit 6, Answer to Question 13.

The Committee concludes, however, that a Member should observe the standard of ethical conduct, as is expressed in principle in Section 5 of the Code of Ethics for Government Service, which prohibits any person in government service from accepting "for himself, or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties." The Committee concludes further that this standard of ethical conduct was not observed by Representative Sikes in approaching organizers of the Bank, inquiring about the possibility of buying stock in the Bank, and then purchasing 2,500 shares of the Bank's privately held stock following the active and continuing involvement on his part as shown by the record before the Committee in establishing the Bank.

IV. Allegations Concerning the Receipt of Personal Benefit from the Sponsorship of Legislation

The complaint alleges that in 1961–62 Representative Sikes sponsored legislation which directly benefited the commercial development of certain land in Florida, including property on which he and several business associates held leases. It is alleged that Representative Sikes' sponsorship of this legislation was in violation of House Rule XLIII(3) and Section 5 of the Code of Ethics for Government Service (72 Stat., pt. 2, B 12 [1958]).

House Rule XLIII(3) provides that:

> A Member, officer, or employee of the House of Representatives shall receive no compensation nor shall he permit any compensation to accrue to his beneficial interest from any source, the receipt of which would occur by virtue of influence improperly exerted from his position in Congress.

Section 5 of the Code of Ethics for Government Service (72 Stat., pt. 2, B 12 [1958]) provides that:

> Any person in government service should . . . [n] ever discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration, or not; and never accept, for himself, or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties.

1. Case presented in complaint to support allegations

The complaint notes that in 1948 the Federal Government authorized the conveyance of certain land owned by the United States to Okaloosa County, Florida, including:

> all or any part of that portion of Santa Rosa Island, Florida, extending one mile east from Brooks Bridge on United States Highway 98 near the town of Fort Walton, Florida, . . . and . . . all or any part of that portion of said Santa Rosa Island which lies east of the new channel at East Pass (consisting of two small islands) said property being under the jurisdiction of the Department of the Army (Pub. L. 80–885).

The 1948 Act, the complaint maintains, placed certain restrictions on the use of the land conveyed and these restrictions allegedly hindered its commercial development.

The complaint asserts that in 1961–62 Representative Sikes sponsored legislation (enacted as Pub. L. 87–860) which repealed the restrictions placed on the land by the 1948 Act, and that at the time he introduced this legislation, Representative Sikes held a leasehold interest in certain property affected by the legislation.

The complaint further asserts that Representative Sikes testified before the House Armed Services Committee on the pending legislation without disclosing his alleged pecuniary interest in the land affected.

Arguing that the repeal of the restrictions in the 1948 Act removed significant disincentives to commercial development of the land involved, the complaint concludes that "Representative Sikes benefited directly from his sponsorship of Pub. L. 87–860" and that "the benefits which accrued to him by Pub. L. 87–860 could reasonably be construed to have influenced his sponsorship of Pub. L. 87–860." [67]

2. Explanatory statements by Representative Sikes

In his October 28, 1975, letter to House colleagues, Representative Sikes explained that he introduced the legislation at the request of the Okaloosa Island Authority, that the legislation provided no improvements for property he leased on the "two small islands" east of the channel and now known as Holiday Isle, and that the legislation was not intended to benefit Holiday Isle. "[T]herefore", he concluded, "the legislation could not have been introduced for my benefit." [68]

In this same letter Representative Sikes also referred to a "smaller Gulf Tracts property [which] was acquired in March 1961 as an investment and sold in July 1962 before the bill revoking the reverter clause became law." [69]

In his May 6, 1976, statement filed with the Committee, Representative Sikes again stated that he did not consider that the legislation which he introduced would affect his Holiday Isle property, that he did not expect or intend this property to benefit from passage of the bills which he introduced, and that any benefit to the Holiday Isle property was merely incidental and a part of the growth of the entire area. [70]

With respect to the Gulf Tracts property mentioned in the October 28, 1975, letter to his colleagues, Representative Sikes, through his counsel, has explained that this property, which was located on Santa Rosa Island, was disposed of prior to the enactment of the legislation in order to avoid any possible conflict of interest.[71]

3. Committee's findings and conclusions

The Committee submitted interrogatories to Representative Sikes dated June 1, 1976,[72] and June 8, 1976,[73] seeking to clarify the nature of his interest in property on Santa Rosa Island. From Representative Sikes' answers to these interrogatories and from the Committee's investigation, the following chronology of events emerges:

On July 2, 1948, Pub. L. 80–885,[74] which was introduced by Representative Sikes,[75] was enacted to authorize the conveyance to Okaloosa County, Florida, of certain United States land described as follows:

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[67] Exhibit 2.

[68] Exhibit 2, Attachment B.

[69] Exhibit 2, Attachment B.

[70] Exhibit 3.

[71] Exhibit 9, Attached letter, dated June 3, 1976.

[72] Exhibit 9.

[73] Exhibit 10.

[74] 62 Stat. 1229, 80th Cong., 2d sess. (1948); Exhibit 2, Attachment I.

> . . . All right, title, and interest of the United States *in and to all or any part of that portion of Santa Rosa Island, Florida, extending one mile east from Brooks Bridge on United States Highway 98 near the town of Fort Walton, Florida*, except for a strip of land six hundred feet wide (three hundred feet east and three hundred feet west from center line of road leading to radar site "Dick"), extending from Highway 98 to the mean low water level of the Gulf of Mexico, and two miles west from said bridge, *and to all or any part of that portion of said Santa Rosa Island which lies east of the new channel at East Pass (consisting of two small islands)*, said property being under the jurisdiction of the Department of the Army. (Emphasis added)

The "two small islands" mentioned in the 1948 Act were subsequently merged, as a result of accretion, forming what is now known as Holiday Isle.[76]

This conveyance was subject to two restrictions. The land conveyed could be used "only for public recreational purposes," and that "in the event of a national emergency" the United States could reenter and take control of the property.[77]

The May 22, 1950, deed executed by the Secretary of the Army, pursuant to Pub. L. 80-885, which conveyed the land to Okaloosa County, contained a description of the land similar to that found in the 1948 Act:

* * * * * * *

> All those tracts or parcels of land aggregating a net total of 875 acres more or less lying and being on Santa Rosa Island, Okaloosa County, Florida, and more particularly described as follows: [the property is hereafter described by metes and bounds]

* * * * * * *

> And all that portion of land which formerly comprised a part of Santa Rosa Island that lies east of the New East Pass Channel; [excepting the land of radar site "Dick"] [78]

* * * * * * *

On July 1, 1953, the Okaloosa Island Authority was created by the Florida State Legislature authorizing the County Commissioners of Okaloosa County "to use or lease portions of Santa Rosa Island as may be owned by Okaloosa County . . ." [79]

On April 7, 1955, one Finley B. Duncan acquired a 99 year leasehold interest from the Okaloosa Island Authority for:

> . . . certain property of Santa Rosa Island in Okaloosa County, Florida, described as follows herewith: All that portion of land which formerly comprised a part of Santa Rosa Island, that lies East of the New East East [sic] Pass Channel.

This property constituted what is known as Holiday Isle.

The terms of the lease between Finley B. Duncan and the Okaloosa Island Authority provided, inter alia, for the lessee to pay $100 plus an annual rental of 2½ percent of the gross income of the lessee's business operations or the sum of $1,000, whichever was greater. The lessee was also required at his own expense to spend $50,000 on the leased lands within 2½ years from the date of the lease, unless the time was extended for good cause by the Authority.[80]

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[75] 93 Cong. Rec. 6493 (1947).
[76] Exhibit 3.
[77] Exhibit 2, Attachment I.
[78] Exhibit 2, Attachment L.
[79] Exhibit 11.

On October 28, 1957, Representative Sikes and two others formed a Florida corporation under the name of "C.B.S. Development Corporation." The general nature of the corporation's business was to acquire and develop "real estate, real property, and any interest or right therein." Representative Sikes was listed in the articles of incorporation as a member of the board of directors, vice-president, and a one-third stockholder.[81]

On July 29, 1959, Finley B. Duncan assigned to C.B.S. Development Corporation for the sum of $60,000 all:

> right, title, and interest in and to the certain lease dated April 7, 1955, from the Okaloosa Island Authority . . .[82]

On February 2, 1961, Representative Sikes inquired of the Secretary of State of Florida as to the advisability of resurrecting the name "Gulf Tracts, Inc." for another corporation he was intending to form. According to Representative Sikes, he had been associated with an earlier corporation by the same name formed on April 14, 1947, which was dissolved on May 10, 1952, for non-filing of its franchise tax.[83]

On February 24, 1961, and after a preliminary reply on February 7, 1961,[84] the Secretary of State of Florida advised Representative Sikes that it would be simpler for him to set up a new corporation with the name Gulf Tracts, Inc.[85]

On March 8, 1961, Representative Sikes wrote a letter to one Tom Brooks of Ft. Walton Beach, Florida, in which he enclosed a check written on his House Sergeant at Arms account to the Okaloosa Island Authority for $2,333.34, representing a one-third interest in the downpayment on "the property lease which you, W. A. Jernigan and I seek to negotiate with the Okaloosa Island Authority." The letter contained the postscript that the Executive Manager of the Okaloosa Island Authority already had a check for $3,500 from Representative Sikes that he was to return.[86]

Sometime in March of 1961, according to minutes of the Okaloosa Island Authority dated March 7, 1963, the attorney for the Authority contacted Representative Sikes about obtaining legislation to remove the restrictions placed on the land by the Act of July 2, 1948:

> Whereas, the attorney for the Authority has presented to the Board a chronological report as to his activities and the activities of the Board in its efforts to obtain Federal Legislation to cure defects in the Federal Act in order to comply with the Bond Attorney's requirements for approval of proposed Revenue Certificates; and it appearing that the Authority through its attorney first contacted Hon. Bob Sikes in March of 1961 requesting such legislation which eventually brought about the passage of present Federal Legislation authorizing the purchase of the property; and . . .[87]

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[80] Exhibit 2, Attachment N, exhibit A attached thereto.

[81] Exhibit 2, Attachment O.

[82] Exhibit 2, Attachment N.

[83] Exhibit 9, Answer to Question 4.

[84] Exhibit 9, Attachment F.

[85] Exhibit 9, Attachment H.

[86] Exhibit 9, Attachment I.

[87] Exhibit 10, Attachment BB. An affidavit dated April 23, 1976, from one Joseph R. Anderson, General Counsel for the Okaloosa Island Authority, and submitted to the Committee by Representative Sikes' counsel on May 6, 1976, does not contain the day or days in March of 1961 when Representative Sikes was first contacted. Exhibit 4.

On March 23, 1961, according to minutes of the Okaloosa Island Authority bearing the same date, "A lease to Gulf Tracts, Inc. was submitted to the board for approval of the board." The minutes report a determination was made that approval of the lease would be dependent upon the willingness of the lessees to accept certain changes in the lease.[88]

On March 28, 1961, Representative Sikes filed articles of incorporation with the Office of the Secretary of State of Florida for a new corporation to be called "Gulf Tracts, Inc." [89] The general nature of the corporation business was to acquire and develop "real estate, real property, and any interest or right therein." [90] By a letter dated April 5, 1961, from the Secretary of State of Florida, Representative Sikes was informed that an additional cost was required for the filing fee.[91] With a letter dated April 10, 1961, Representative Sikes submitted a check to the Secretary of State to cover the additional costs.[92] The articles of incorporation for Gulf Tracts, Inc. were approved and filed with the Secretary of State on April 13, 1961.[93] Representative Sikes was listed in the articles of incorporation of Gulf Tracts, Inc. as a member of the board of directors, vice-president and one-third stockholder.

On May 10, 1961, a lease agreement was executed between Gulf Tracts, Inc. and the Okaloosa Island Authority for a 99 year lease on property on Santa Rosa Island, described as follows:

> Said property is located on Santa Rosa Island, Okaloosa County, Florida, being a portion of that land under the jurisdiction of the Okaloosa Island Authority and is further described as follows:
>
> Bounded on the North by the southern right of way of State Road #30 otherwise known as U.S. Highway #98; on the east by the western boundary of John C. Beaseley State Park; on the south by the Gulf of Mexico and on the west by the eastern boundary of Newman Brackin Wayside Park. Such parcel being of an approximate distance 1,120′ latitudinally and 700′ longitudinally according to plat recorded in Plat Book 3, Page 35, in Public Records of said County and State.

Under the terms of the lease, the lessee agreed to pay to the Oklaoosa Island Authority the sum of $140,000.00 as follows:

(1) $7,000 down;

(2) the balance of the purchase price to be paid at a rate of $877.80 per month for 20 years, the first payment to be due July 1, 1961;

and in addition thereto to pay:

(3) an annual minimum rental of $1,000 or 2 percent of gross receipts, whichever was greater.[94]

On June 15, 1961, Representative Sikes introduced H.R. 7696 to amend the Act of July 2, 1948. This bill would have repealed "subparagraph e of the first section" of the 1948 Act.[95] Subparagraph e provided that in the event of a national emergency, the United States would have the right to take over from Okaloosa County complete control and operation of the property described in the 1948 Act.[96] The bill was referred to the House Committee on Armed Services.

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[88] Exhibit 9, Attachment C.
[89] Exhibit 9, Attachment A.
[90] Exhibit 9, Attachment B.
[91] Exhibit 12.
[92] Exhibit 13.
[93] Exhibit 14.
[94] Exhibit 9, Attachment D.
[95] 107 Cong. Rec. 10493–94 (1961); Exhibit 2, Attachment Q.

On June 29, 1961, Representative Sikes introduced another bill, H.R. 7932, to amend the Act of July 2, 1948. This bill would strike out the words "for recreational purposes" in the 1948 Act and would repeal subparagraphs a, e and g of the first section of the 1948 Act, and all of sections 2 and 3.[97]

Subparagraph a of the 1948 Act provided:

> a. That said property shall be used only for public recreational purposes.

Subparagraph e of the 1948 Act provided:

> e. That in the event of a national emergency the United States of America, acting through the Secretary of the Army, shall have the right to take over from Okaloosa County, its successors or assigns, complete control and operation of the property herein described for such use and for such length of time as the emergency shall require, in the discretion of the Secretary of the Army; without rental or other charge as far as Okaloosa County is concerned but subject to all valid existing private rights in and to the said property or any part or parts thereof: Provided, That just compensation shall be given to the owners, lessees, or other persons interested for the taking of control or operation of, or rights in, improvements of said property.

Subparagraph g of the 1948 Act provided:

> g. The public recreational purposes provided for herein shall include the erection and operation by private persons, for profit, of houses, hotels, restaurants, cafes, bathhouses, casinos, night clubs, and other enterprises and usages usual to beach resorts and resort housing developments.

There is nothing in either H.R. 7696 or H.R. 7932 to indicate the bills applied to anything less than all of the land conveyed to Okaloosa County in the 1948 Act. The bills were phrased so as to remove all restrictions on the land[98] which had been conveyed to Okaloosa County by the 1948 Act.

On August 22, 1961, Representative Sikes testified before the House Committee on Armed Services on the proposed bill. In his testimony he informed the Committee that development of the property was being hindered because of the restrictions placed on the property by the 1948 Act. Representative Sikes did not inform the Committee of his ownership of stock in Gulf Tracts, Inc., which had a 99 year lease dated May 10, 1961, for property "located on Santa Rosa Island, Okaloosa County, Florida, being a portion of that land under the jurisdiction of the Okaloosa Island Authority. . . ." Nor did he inform the Committee of his ownership of stock in C.B.S. Development Corporation, which on July 29, 1959, had acquired Finley B. Duncan's lease for "All that portion of land which formerly comprised a part of Santa Rosa Island that lies East of the New East East [sic] Pass Channel" known as Holiday Isle.[99]

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[96] Exhibit 2, Attachment I.

[97] 107 Cong. Rec. 11930 (1961); Exhibit 2, Attachment R.

[98] The 1948 Act described the land as follows:
"* * * *all or any part of that portion of Santa Rosa Island, Florida, extending one mile east from Brooks Bridge on United States Highway 98 near the town of Fort Walton, Florida,* except for a strip of land six hundred feet wide (three hundred feet east and three hundred feet west from center line of road leading to radar site 'Dick'), extending from Highway 98 to the mean low water level of the Gulf of Mexico, and two miles west from said bridge, *and to all or any part of that portion of said Santa Rosa Island which lies east of the new channel at East Pass (consisting of two small islands)*, said property being under the jurisdiction of the Department of the Army." See Exhibit 2, Attachment I. (Emphasis added.)

On August 23, 1961, H.R. 7932 amending the 1948 Act was reported favorably by the House Committee on Armed Services.[100]

On August 24, 1961, according to the minutes of the Okaloosa Island Authority bearing the same date: "Mr. Anderson told the board that Congressman Sikes is currently working on House and Senate approval of H.R. 7932, a bill to remove restrictions placed on the Santa Rosa Island property which was deeded to Okaloosa County eleven years ago, and that the engineer for Leedy, Wheeler & Alleman would start his work for the Authority when this bill has been approved."[101]

On September 6, 1961, H.R. 7932 passed the House.[102]

On September 9, 1961, C.B.S. Development Corporation renegotiated with the Okaloosa Island Authority the lease on Holiday Isle it had acquired on July 29, 1959, from Finley B. Duncan.

Under the terms of this lease, the lessee agreed to pay the Authority an annual rental of 1% of all gross income per year from the property for a period of 20 years and 2% of the gross income per year for the remaining term. This lease did not contain any requirement for development expenditures.[103]

On July 20, 1962, Representative Sikes and W. A. Jernigan executed an agreement to sell their 243 shares of capital stock of Gulf Tracts, Inc. to one John S. P. Ham for the sum of $57,200; payable as follows:

1. $7,200 upon execution of the agreement; and
2. The balance of $50,000 by a promissory note due and payable on or before July 20, 1963 with interest at the rate of 5 percent per annum.[104]

According to the affidavit of Fayette Dennison dated June 25, 1976, submitted to the Committee by Representative Sikes, "Mr. Hamm [sic] purchased 100% of Gulf Tracts, Inc. stock on July 20, 1962 from W. A. Jernigan, Robert L. F. Sikes, and the Estate of Thomas E. Brooks for $57,200.00."[105]

According to Representative Sikes' answers to the Committee's interrogatories of June 8, 1976, he realized a profit of approximately $14,000 on the sale of his stock in Gulf Tracts, Inc. on July 20, 1962.[106]

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[99] See Hearings before the House Armed Services Committee on H.R. 7932, 87th Cong., 1st sess. at 2607 (1961); Exhibit 2, Attachment S.

[100] 107 Cong. Rec. 16891 (1961); H. Rep. No. 1021, 87th Cong., 1st sess. (1961); Exhibit 2, Attachment T.

[101] Exhibit 15.

[102] 107 Cong. Rec. 18223 (1961).

[103] Exhibit 2, Attachment P.

[104] Exhibit 10, Answer to Question 3.

[105] Exhibit 10, Attachment T.

[106] *Interrogatory 3(g)*: What was the total profit you received on the sale of your stock interest in Gulf Tracts, Inc.?

Answer: The tax records of Mr. Jernigan, who held the same amount of stock I held, show that Mr. Jernigan received $25,000 plus interest payments. I must assume that I received the same amount, although, as set forth in No. 3(d) above, I have been unable to establish that I received more than $15,000, nor is my memory clear on this. It is possible that I was never fully paid, but I must assume that I was paid the same amount as an equal stockholder.

My profit, assuming that I was paid $25,000, was approximately $14,000 after unreimbursed expenses.

See attached letter from Mr. Jernigan's accountant (Exhibit U).

Other than interest payments, I did not receive more than the $25,000, or the $15,000, as the case may be. Exhibit 10.

On August 9, 1962, the Senate Committee on Armed Services favorably reported H.R. 7932 with amendments requiring that the remaining property interests be transferred at current market value and not at their value as of May 22, 1950, as was originally provided.[107]

On August 25, 1962, the lease agreement between Okaloosa Island Authority and C.B.S. Development Corporation dated September 9, 1961, for the Holiday Isle property was modified to enable C.B.S. Development Corporation or its assigns ". . . to obtain mortgage financing for the construction of dwellings on residential lots, including the requirements of the Federal Housing Administration."[108]

On October 11, 1962, H.R. 7932 passed the Senate as amended.[109] On October 12, 1962, the House accepted the Senate version of the bill.[110] On October 23, 1962, H.R. 7932 was passed as Pub. L. 87–860.[111]

On September 25, 1963, a quit claim deed to Okaloosa County from the United States, acting through the Secretary of the Army and pursuant to Pub. Law 87–860, released all the restrictions of the earlier deed to Okaloosa County dated May 22, 1950, except reservations for access and avigation, on:

> All those tracts or parcels of land aggregating a net total of 875 acres, more or less, situated and lying on Santa Rosa Island, Okaloosa County, Florida, and more particularly described as follows: [the property is hereafter described by metes and bounds]

* * * * * * *

> And all that portion of land which formerly comprised a part of Santa Rosa Island that lies east of the New East Pass Channel; [excepting the land of radar site "Dick"][112]

* * * * * * *

According to statements by Representative Sikes, C.B.S. Development Corporation sold its interests in Holiday Isle for $600,000.[113]

Although Representative Sikes maintains he was unaware that H.R. 7932 affected the property interest on Holiday Isle which C.B.S. Corporation acquired on July 29, 1959, there can be no doubt it covered the property interest on Santa Rosa Island which was acquired by Gulf Tracts, Inc. on May 10, 1961. This latter interest was acquired by Representative Sikes before the legislation was introduced (June 29, 1961), but he failed to disclose these facts during the House hearings on the bill. The fact that Representative Sikes sold his stock in Gulf Tracts, Inc. on July 20, 1962, after the bill passed the House (September 6, 1961), but before passing the Senate (October 11, 1962), although tending to mitigate, failed to absolve the consequences of the conflict of interest.

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[107] 108 Cong. Rec. 16022 (1962); S. Rep. No. 1871 (August 9, 1962).
[108] Exhibit 2, Attachment V.
[109] 108 Cong. Rec. 23196 (1962).
[110] 108 Cong. Rec. 23369 (1962).
[111] 76 Stat. 1138, 87th Cong. 2d sess. (1962); 108 Cong. Rec. 23544 (1962).
[112] Exhibit 2, Attachment U.
[113] Exhibit 2, Attachment M.

STATEMENT UNDER CLAUSE 2(1)(3), AND CLAUSE 2(1)(4) OF RULE XI OF THE RULES OF THE HOUSE OF REPRESENTATIVES

A. Oversight statement

The Committee made no special oversight findings on this resolution.

B. Budgt statement

No budget statement is submitted.

C. Estimate of the Congressional Budget Office

No estimate or comparison was received from the Director of the Congressional Budget Office as referred to in subdivision (C) of Clause 2(1)(3) of House Rule XI.

D. Oversight findings and recommendations of the Committee on Government Operations

No findings or recommendations of the Committee on Government Operations were received as referred to in subdivision (D) of clause 2(1)(3) of House Rule XI.

MINORITY VIEWS OF REPRESENTATIVE F. EDWARD HÉBERT ON INVESTIGATION OF REPRESENTATIVE ROBERT L. F. SIKES BY THE HOUSE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

I find shocking, reprehensible, and most embarrassing the recent leaking to the news media of the actions which took place during an executive session of the investigation of Congressman Robert L. F. Sikes by the Committee on Standards of Official Conduct.

To set the record straight, I disagree with the conclusions reached on the first two charges against Congressman Sikes. On the third charge, I find no reason why a situation which took place 15 years ago should be considered by this committee in connection with the investigation of Congressman Sikes since conclusions had already been reached and the matter was reopened only after it was brought to the attention of the committee by a disgruntled Associated Press reporter years after the Associated Press had refused to print the alleged charges.

I am also most concerned about the manner in which the entire investigation was conducted—an investigation which should have been concluded quickly instead of being dragged out for months. The investigation, in my opinion, was not conducted in an objective vein, but on an adversary basis in an effort not to get the facts but to prove Congressman Sikes guilty of charges made by an organization which formally withdrew its alleged charges when the committee went into executive session.

For these reasons, I feel compelled to make this supplemental report. I will now discuss further some of the actions which concern me.

First, the leaks which came from the Committee on Standards of Official Conduct. We have before us for consideration several matters involving leaks on which we have taken no action, but we have talked a lot about them. For one of these investigations, the committee received $150,000 for a bevy of investigators to determine the possible source of a leak on another House committee. The staff has been at work on this one for months.

And while all of this remains in the air, here comes the Committee on Standards of Official Conduct with a leak, the accuracy of which I have not seen in all my years in the Congress. And there is no doubt that the leak had to come from either a member or staffer as they were the only persons present during the executive discussions and votes.

I was not present at the meeting which, through leaks, was so thoroughly reported in the press. I was informed later of what did take place, and I must say that a reporter could not have done a better job had he been sitting in the committee room writing his story. That's how complete the leak was. I wonder who leaked.

I believe it relevant. I believe it pertinent, and I believe it important that the Committee on Standards of Official Conduct get its own house in order before proceeding with the many other matters before us involving leaks. With the Committee on Standards of Official Conduct we have a case of four walls and a few people producing a leak. How can we deal with these other problems of other committees where a larger number of people were involved if we can't keep a secret within the small confines of the Committee on Standards of Official Conduct. If we can't solve this mystery, I believe we will be wasting our time trying to solve the problem of leaks on other committees.

On another subject, I disagreed with the use of the word "reprimand." I was definitely against its use in this instance. I think Congressman Sikes explained his position in these matters immediately upon learning that his compliance with the rules, as he understood them, was not correct. Is he to be reprimanded for that?

I am also informed that at least two of the members who signed the petition transmitting the alleged charges against Congressman Sikes had themselves failed to file proper financial returns. Their failures were similar to the ones of Congressman Sikes, but no one said anything about that.

These two members, I would assume, misunderstood the procedures just as Congressman Sikes did. Does this similar misunderstanding make them less guilty?

On the third matter, the land situation in Florida which occurred 15 years ago, at no time did I detect an effort on the part of Congressman Sikes to hide or cover up from the Armed Services Committee his participation or his knowledge or his understanding of the matter. And I sat on the subcommittee at that time.

That was 15 years ago. I can only rely on what the record shows, and it does not show any indication of a cover-up, and I have no recollection of any such effort by Congressman Sikes.

If we are to go back and investigate matters which occurred long before the Committee on Standards of Official Conduct was organized and long before we were engulfed in the things we are engulfed in now, I wonder how many of us would find ourselves in a position of not being able to explain things we had done, whether innocently or not, in past years.

I repeat that we should not have considered this matter at all, but particularly should not have since it was brought before the committee by a disgruntled reporter.

It must also be pointed out that this latest alleged evidence against Congressman Sikes was not brought to the attention of the committee under existing rules nor was this information brought to our attention under a sworn affidavit.

If we are going to give this kind of lengthy consideration to a declaration or charge made by anybody, then the Committee on Standards of Official Conduct is headed for big trouble.

Finally, nothing would be served at this point to go into detail on the manner in which the whole investigation was conducted. But the time used, the weeks and months spent, which could have been consolidated into a shorter time, speaks for itself. We even came to a point, as the committee knows, where philosophy was to be injected into the report as well as the history of punishment as related to the House of Representatives.

It is very obvious that the stimulus to persecute came from outside the committee, and this is what concerns me a great deal.

I attempted to have the report reconsidered by the committee, but the request was denied by a vote of 7 to 5 with all members voting. I voted against the report as written on final passage, and have open to me only this method of expressing my opposition.

F. Edward Hébert.

EXHIBIT NO. 44

Union Calendar No. 951

95TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { No. 95–1817

KOREAN INFLUENCE INVESTIGATION

DECEMBER 22, 1978.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. FLYNT, from the Committee on Standards of Official Conduct, submitted the following

REPORT

I. INTRODUCTION

On February 9, 1977, citing "information" alleging "that Members of the House of Representatives have been the object of efforts by . . . the Government of the Republic of Korea [ROK] to influence the Members' official conduct by conferring things of value on them," the House of Representatives unanimously adopted House Resolution 252.[1] House Resolution 252 imposed three obligations on this committee. First, it directed the committee to conduct a "full and complete inquiry and investigation" into the allegation set forth above that Members of Congress accepted things of value from the ROK Government. Second, it directed the committee to make "findings, conclusions and recommendations" with respect to the adequacy of the existing rules of conduct to prevent actual and apparent exertion of improper influence by foreign governments on Members of Congress. Third, it directed the committee to report its recommendations to the House of Representatives regarding disciplinary action to be taken against any Member of the House of Representatives found, as a result of the investigation, to have violated any applicable standard of conduct.

Although there was, at the time of the adoption of House Resolution 252, already an ongoing investigation by the Department of Justice into the allegations of influence buying by the ROK, the reasons for its adoption are manifest. Certain Members of the House of Representatives were the objects of the allegations and the integrity of the House of Representatives had been publicly questioned. This committee viewed House Resolution 252 as an attempt by the House of Representatives to establish that it has the will to conduct a thorough and uninhibited investigation of itself and to judge and discipline its Members where warranted.

Thus, in addition to conducting the Korean influence investigation and fulfilling the tasks assigned to it under House Resolution 252, the committee believed that it had a second responsibility, namely, to establish that the House is serious about the very unpleasant but extremely important job of self-investigation and self-discipline. The results of the committee's efforts are set forth in this report.

A. THE INVESTIGATION

In parts II through VI of this report, the committee sets forth the results of its investigative task.

Structure

In order to insure that its own investigation would be thorough and impartial in both appearance and fact, the committee adopted, on February 8, 1977, a resolution—contingent on the adoption by the House of House Resolution 252—under which the investigation would be conducted by an outside independent special counsel and a special staff picked by the special counsel himself.[2] The committee retained as special counsel, Philip Lacovara, of the firm Hughes, Hubbard & Reed. Mr. Lacovara previously had acted as counsel to the Special Prosecutor during the Watergate investigation and had been tentatively employed by the chairman and ranking minority member in the fall of 1976.

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[1] H. Res. 252 is set forth in its entirety as exhibit 1 of this report.

Mr. Lacovara recruited a special staff of attorneys, investigators, and support staff to carry out the Korean influence inquiry investigation.

He was given total independence in his selection of staff. To supervise the work of this staff, Lacovara appointed John W. Nields, Jr., senior law clerk to Supreme Court Justice Byron White and former Chief of the Civil Division of the Office of the U.S. Attorney, Southern District of New York. In addition, five other attorneys, nine investigators, three paralegals and seven secretaries were hired. The attorneys and investigators appointed to the special staff were experienced in law enforcement, financial investigations, and congressional investigations. Special staff investigators came largely from federal law enforcement agencies and local units investigating official corruption.

On July 15, 1977, Philip Lacovara resigned as special counsel. On July 19, 1977, the committee retained as the new special counsel, former Watergate Special Prosecutor Leon Jaworski. Mr. Jaworski brought with him as Deputy Special Counsel Peter A. White, a member of the firm of Fulbright and Jaworski. John W. Nields, Jr. remained as chief counsel directly in charge of the daily conduct of the investigation. The entire special staff recruited by Lacovara remained with the committee. During this change, the work of the special staff continued without interruption.

Methods

At the outset of the investigation, the information available to the staff consisted of diffuse and unspecific press reports that the Korean Government had adopted plans to influence Congress through three private citizens of Korean extraction, Tongsun Park, Hancho Kim, and Suzi Park Thomson, and through direct payments from ROK Embassy officials in Washington, D.C. In order to give the investigation more focus, attempts were made at the outset to determine the scope of efforts by the Government of the Republic of Korea to influence Members of Congress. There were two possible sources of information concerning the scope of such efforts: the ROK Government and the U.S. Congress.

The committee had no access to the officials of the ROK Government at the outset of the investigation, and it was determined that the most fruitful way to gather information about the outlines and scope of any lobbying effort would be to canvass both present and former Members of the House of Representatives. Thus, the committee issued a questionnaire to each person who served as a Member of the House of Representatives since January 3, 1970. The questionnaire inquired about a variety of contacts with representatives of the ROK, including the offer or receipt of gifts of over $100 in value. Specific questions were asked about contacts with five individuals: Tongsun Park, Suzi Park Thomson, Kim Dong Jo, Hancho Kim, and Kim Sang Keun.[3]

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[2] This resolution is set forth in its entirety as exhibit 2 of this report.

[3] In this report Korean names are written [illegible] family last name first except for those individuals who have [illegible]

The questionnaire inquired about innocuous contacts, such as attendance at parties hosted by the named individuals and travel to Korea, as well as about gifts of substantial value. An accompanying letter explained that the purpose of the questionnaire was not only to learn of any improper activities, but to determine the extent of Korean lobbying activities, including legal activities.[4]

The response by the Members to this questionnaire was viewed as an important first test of the willingness of the entire House to give assistance and support to the investigation, and to participate in self-investigation. Notwithstanding the resulting inconvenience to the Members, the questionnaire, or a followup set of interrogatories, was answered by every sitting Member of the House except one, Representative Henry B. Gonzalez of Texas.

The committee also sought information at early stages of the investigation from other branches of the Federal Government: the Department of Justice, the Department of Agriculture, the Department of the Treasury, the Department of State, and agencies in the intelligence community. However, the committee operated on the assumption that it would only be satisfied with its work if it did the actual investigating itself. Thus, with rare exceptions, the committee utilized information received from other agencies for lead purposes only. Research was conducted on legislation of interest to the ROK Government. Individuals who were knowledgeable about the activities of Tongsun Park, Hancho Kim, Suzi Park Thomson, and officials of the ROK Government in Washington, D.C., and who were subject to the committee's jurisdiction were interviewed and deposed.

Information gathered in this manner persuasively demonstrated that a scheme or schemes had existed under which the Government of the Republic of Korea had attempted to influence Members of Congress. The committee held hearings disclosing this information on October 19, 20, and 21, 1977. The hearings did not identify the Members who at that time appeared to have been the targets of the scheme.

The committee then began to focus its investigative efforts on specific Members of Congress who, for a variety of reasons, appeared to have been likely or actual targets of ROK influence efforts. Most of these individual investigations centered on sitting Members of Congress. Some former Members who appeared to be important elements in a ROK scheme, however, were also investigated. The committee had no jurisdiction to discipline these former Members, but the obtaining of information about their roles was necessary to an understanding of the influence scheme, particularly as it related to Tongsun Park.

Then in January 1978, the Department of Justice questioned Tongsun Park in Seoul, Korea, about his activities involving Members of the Congress of the United States. Information obtained from Park in Seoul was made available to the committee. In March 1978, Park traveled to the United States pursuant to an agreement among the U.S. Department of Justice, this committee and the ROK Government and was questioned by the committee under oath in executive session. In April 1978, the committee held open hearings at which Park was questioned again. He described payments to a number of Congressmen. Richard Hanna, a former Member of Congress to whom Park gave substantial sums of money, also testified. Corroboration of Park's testimony was provided by ledgers and other documents, some of which had been removed from Park's home by Federal agents during his absence from the country, and by other witnesses who testified about Park's activities and about the activities of the Members of Congress to whom he had paid money.

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[4] A copy of the questionnaire and the letter which accompanied it are attached to this report as exhibits 3 and 4.

The investigation was far flung, thorough and unimpeded; 718 witnesses were interviewed. Depositions under oath were taken of 165 persons, of which 25 were depositions of sitting Members of Congress, and 10 were depositions of former Members. Over 40,000 documents were obtained, most of them by subpena. The committee authorized the taking of 19 depositions under grants of immunity, 11 of these depositions were in fact taken.

The committee pursued its investigative task much as does a grand jury. Initially, evidence was gathered and evaluated in executive session. Only after the committee finished a portion of its work was its information made public. Thus, publication of suspicious but unreliable information was avoided, as was publication of irrelevant matters. In the committee's judgment, this method also improved its ability to obtain information from reluctant witnesses.

The investigation was substantially facilitated by a provision of House Resolution 252 which authorized the committee to take depositions before a single member of the committee. See, House Resolution 252 section 4(a)(1)(A). This permitted the committee to avoid the normal requirement of two member quorums for the taking of testimony and the requirement of seven member quorums for going into executive session. The committee believes that in light of the number of depositions taken and the other business which members of the committee had to conduct during this investigation, section 4(a)(1)(A) was essential to the conduct of the investigation. In part VII of this report, we recommend that this become a part of the Standing Rules of the House applicable to the Committee on Standards of Official Conduct.

Evidence relating to the overall activities of the ROK Government, Tongsun Park, and to the four Members of Congress against whom charges were filed, was eventually presented in open session. The committee's responsibility to present the facts uncovered by the investigation to the public and to publicize evidence of misconduct made this essential.

Results

The investigation established that the early press reports of involvement of up to 115 Members were greatly exaggerated. The efforts made by the ROK were substantial, however. The committee finds that the ROK Government adopted at least three plans the purpose of which was to influence Members of Congress through payments of money. Two were to utilize private individuals of Korean extraction—Tongsun Park and Hancho Kim. The third was to be carried out by ROK Government officials stationed in Washington, D.C.

The committee reports that the investigation into the implementation of the plan involving Tongsun Park has been completed. It is described in part II of this report. While it is impossible to know with certainty whether Mr. Park withheld information about payments as to which the committee has no evidence, the judgment of the committee is that Tongsun Park's testimony relating to his payments to sitting and former Members was substantially true and complete.

The results of the investigation into the implementation of the plan involving Hancho Kim is described in part III of this report. The committee found convincing evidence that Mr. Kim received $600,000 from the ROK Government for this purpose. The committee found no evidence, however, that any of this money was actually paid to any Members of Congress; and it has some evidence that the money paid to Kim was put to his personal use. The investigation relating to Hancho Kim, however, is incomplete. Although Kim answered questions relating to his contacts with Members of Congress, he refused even after he was granted immunity to answer questions relating to whether he received the $600,000 from the KCIA.[5] Without an admission or denial by Mr. Kim that he received the money and an explanation of what he did with it, this aspect of the investigation remains somewhat unsatisfactory and incomplete.

The results of the investigation into the implementation of the plan involving officials of the ROK Embassy is described in part IV of this report. The committee must also report that while this aspect of the Korean Influence Inquiry is incomplete, the committee has done everything possible to obtain the information and complete the investigation. The committee has information indicating that representatives of the ROK Embassy in Washington, and other officials of the ROK Government offered to make and made large gifts of money to Members of Congress. However, the committee has been unable to obtain the cooperation of the Government of the Republic of Korea in investigating allegations relating to its official representatives in Washington, D.C. Testimony has been obtained from none of them.

The committee, through its chairman and ranking minority member, the chief counsel and the efforts of the Speaker and minority leader of the House, has done everything feasible to obtain from the ROK Government the cooperation necessary to determine the truth with respect to charges that ROK officials made offers and gifts of cash to Members of Congress. In the absence of such cooperation, the committee reluctantly reports that these allegations remain unresolved.

The committee also investigated allegations that Suzi Park Thomson, a congressional staff member of Korean extraction, was utilized by the ROK Government as an agent of influence. The committee finds that she was used by the ROK Government. However, the committee has found no hard evidence that she was involved in arranging or making illegal payments of money to Members of Congress. The results of the investigation with respect to Ms. Thomson are set forth in part V of this report.

Finally, the committee investigated allegations that trips to Korea were used in the ROK lobbying effort and that such trips may have constituted improper gifts from a foreign State. The results of this aspect of the committee's investigation are set forth in part VI of this report.

In summary, the investigation conducted by the committee convincingly establishes that the allegations on which House Resolution 252 was predicated are true. The ROK caused money to be paid to Members of Congress. The investigation is, however, incomplete. Key witnesses are beyond the jurisdiction of the Congress; and some recipients of ROK money remain unidentified.

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[5] As a result, the House referred a contempt of Congress prosecution against Mr. Kim to the Department of Justice.

The committee believes, however, that the investigation was an exceptionally thorough one. It involved direct investigation of a large number of present and former Members. It was carried on in a professional manner with little or no resistance from or interference by the House of Representatives or its Members. To the extent that it failed, the committee does not believe that the failure resulted from any unwillingness of the House to investigate itself.

B. ADEQUACY OF EXISTING LAW: RECOMMENDATIONS

Part VII of this report contains the committee's findings, conclusions and recommendations with respect to the adequacy of the present rules of conduct. A modest change is recommended. In the main, however, the committee finds that those rules as they presently exist are adequate and that our failures result not from loopholes in the laws which permit undue foreign influence in Congress, but from our inability to obtain all of the facts because of circumstances beyond the control of Congress.

C. DISCIPLINARY RECOMMENDATIONS

Part VIII of this report contains a description of the disciplinary recommendations which were made by the committee based on the facts uncovered in the course of its investigation and the manner in which the House acted on such recommendations.

The House voted disciplinary sanctions—that is, a reprimand—in each case in which the committee found misconduct and recommended punishment. Thus, the House formally acted in a manner which expressed its disapproval of colleagues whose conduct departs from the standards applicable to Members. However, the House declined to impose a more severe sanction on one Member with respect to whom a more severe sanction was recommended by the committee. [This Member, Representative Edward R. Roybal, had been found to have deliberately lied under oath to the committee—thus committing an act for which he could be imprisoned for up to 5 years if prosecuted by the Department of Justice and convicted. The House rejected the committee's recommendation that he be censured.]

Further, during debate in the House on October 13, 1978, the committee encountered criticism of it and its work which can be fully appreciated only by those who were present. Some criticism quite properly pointed out shortcomings in the committee's efforts adequately to communicate to the Members of the House the facts it had found and the reasons for its recommended punishments. The committee recommends some rule changes to prevent similar failures in the future.

The Committee on Standards of Official Conduct can only function properly with the confidence and support of the full membership of the House. The Members of the House must view themselves not as targets of the committeee but as its deputies in a shared effort. The committee does not believe that another Committee on Standards of Official Conduct should attempt the task of carrying on the effort at self-discipline unless the House acts unequivocally to express its support. Thus, we recommend the following provision be added to the Code of Official Conduct:

> It shall be the duty of every Member, officer and employee of the House of Representatives who becomes aware of any violation or any evidence of a violation of a provision of the Code of Official Conduct or any other standard of conduct to report such violation or evidence thereof promptly in writing to the Committee on Standards of Official Conduct.

EXHIBIT NO. 45

96TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } { No. 96-930

IN THE MATTER OF REPRESENTATIVE CHARLES H. WILSON

MAY 8, 1980.—Referred to the House Calendar and ordered to be printed

Mr. BENNETT, from the Committee on Standards of Official Conduct, submitted the following

REPORT

together with

DISSENTING VIEWS

[To accompany H. Res. 660]

INTRODUCTION AND BACKGROUND

During the course of the Korean Influence Investigation conducted pursuant to H. Res. 252, 95th Congress, the Special Staff conducting the inquiry (under the direction of Leon Jaworski, Esq.) became aware of possible violations of House Rules by Representative Charles H. Wilson of California.

Since the possible violations were not directly related to the scope of the Korean Influence Investigation, the matters were pursued only as far as necessary for the purposes of that particular investigation.

The Korean Influence Investigation terminated with the close of the 95th Congress and the matters were left unresolved.

On February 7, 1979, at the organizational meeting of the Committee on Standards of Official Conduct for the 96th Congress, Chairman Charles E. Bennett appointed a two-member subcommittee, of Representative John M. Slack and Representative F. James Sensenbrenner, Jr. to conduct a study of possible violations of House Rules by Representative Wilson.

On November 28, 1979, after a brief summary of the evidence, the Committee adopted a Motion to Conduct an Inquiry pursuant to Committee Rule 11(a)(1), by a vote of 7 to 0.

A copy of the Motion to Conduct an Inquiry, outlining the various possible violations, was made available to Representative Wilson on the same day.

Prior to adopting the Motion to Conduct an Inquiry, the Committee requested that Representative Wilson appear in executive session to testify about the various possible violations. Representative Wilson, through counsel, declined to comply with the Committee's request.

On December 12, 1979, the Committee, in executive session, heard an unsworn statement from Representative Wilson and argument from his counsel respecting the Motion to Conduct an Inquiry. At the conclusion of the meeting the Committee agreed to a Statement of Alleged Violations[1] against Representative Wilson by a vote of 7 to 2.

Mr. Wilson thereupon asked for full discovery of the Committee's evidence and Committee counsel was instructed to make available for inspection by Representative Wilson all documentary evidence in the possession of the Committee.

Comprised of 15 counts, the Statement of Alleged Violations alleged generally that Representative Wilson received gifts of substantial value from a person with a direct interest in legislation (a violation of House Rule XLIII, clause 4), under circumstances which might be construed by a reasonable person as influencing the performance of his governmental duties (a violation of the Code of Ethics for Government Service, clause 5), and, in so doing, reflected discredit upon the House of Representatives (a violation of House Rule XLIII, clause 1). In addition, the Statement alleged that Representative Wilson caused to be hired on his clerk-hire payroll a person whose salary was not commensurate with duties performed (a violation of House Rule XLIII, clause 8), and that Representative Wilson commingled campaign funds with personal funds and converted campaign funds to personal use in excess of allowed reimbursable amounts (violations of House Rule XLIII, clause 6).

The Statement of Alleged Violations also charged that Representative Wilson gave an earlier false statement under oath to the Committee concerning the conversion of campaign funds to personal use. All violations charged in the Statement of Alleged Violations were based on the standards of conduct in effect at the times pertinent to the respective counts. (See Appendix J, Committee Hearing Exhibit #5).

In response to the Statement of Alleged Violations, Representative Wilson, through counsel, filed the following on January 2, 1980: Motion to Dismiss Statement of Alleged Violations, with supporting memorandum[2]; Motion for a Bill of Particulars, with supporting memorandum[3]; and a Motion for Disclosure of Evidence and Exculpatory Information, with supporting memorandum.[4] Responses on all motions were subsequently filed by Committee counsel[5] and oral arguments were heard on January 30, 1980.

The Committee voted 9–0 *not* to dismiss the Statement of Alleged Violations and approved, without objection, the other motions by Representative Wilson.

Representative Wilson submitted an Answer to the Statement of Alleged Violations on February 13, 1980, denying each of the counts and alleged various unspecified violations of House Rules by the Committee.[6]

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[1] Appendix A.

[2] Appendix B.

[3] Appendix C.

[4] Appendix D.

[5] Included in Appendix with Respondent's motions.

On February 26, 1980, the Committee adopted a Scope and Purpose for a Disciplinary Hearing pursuant to Committee Rule of Procedure 16(c),[7] and scheduled the disciplinary hearing for March 25, 1980.

The date of the disciplinary hearing was subsequently rescheduled for March 31, 1980, due to the death of Representative John M. Slack.

On March 21, 1980, counsel for Representative Wilson filed a Motion to Stay the Disciplinary Hearing,[8] and, on March 26, 1980, filed a Statement In Support of Timeliness of Motion to Stay.[9] Committee counsel filed a response to the Motion to Stay the Disciplinary Hearing,[10] and the Committee met in open session on March 26, 1980, to consider the motion.

The Committee determined, by a vote of 11–0, that the Motion to Stay the Disciplinary Hearing was not timely under the Committee Rules, but notwithstanding the lack of timeliness, consented to consider the motion and hear oral argument.

At the conclusion of oral argument by counsel for Representative Wilson and the Committee counsel, the Committee voted to deny the Motion to Stay the Disciplinary Hearing by a vote of 8 ayes, 1 nay, and 1 voting present.

Prior to the disciplinary hearing, Representative Wilson, pursuant to Committee Rule of Procedure 21(d), was afforded the opportunity to request the issuance of subpoenas compelling the attendance of witnesses and production of documents necessary for his defense. All subpoenas requested by Representative Wilson were duly authorized and issued by the Committee.

The disciplinary hearing In The Matter of Representative Charles H. Wilson commenced at 10:30 a.m. on Monday, March 31, 1980, in Room B–318 of the Rayburn House Office Building.

The full record of the testimony and exhibits received in evidence at the disciplinary hearing are attached hereto as Appendix J.

At the disciplinary hearing Representative Wilson was afforded the opportunity, through counsel, to cross-examine witnesses called by the Committee counsel and call witnesses and offer evidence in his own behalf.

At the conclusion of the presentation of testimony and evidence by the Committee counsel and counsel for Representative Wilson, on April 1, 1980, the Committee recessed subject to a call of the chair, in order to afford the Members time to study the transcript of the hearing.

On April 16, 1980, the Committee reconvened the disciplinary hearing with the presentation of closing arguments by the Committee counsel and counsel for Representative Wilson.[11]

At the conclusion of the arguments on April 16, 1980, the Committee immediately began deliberations in executive session and later in the day released its findings and votes thereon.

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[6] Appendix E.
[7] Appendix F.
[8] Appendix G.
[9] Appendix H.
[10] Appendix I.
[11] Appendix K.

FINDINGS

A. VOTES

The Committee amended counts one, two, and three (1–3), by striking the reference to a violation of Rule 5 of the Code of Ethics For Government Service, but leaving intact references to violations of House Rule XLIII, clauses 1 and 4, by votes of 11 ayes and 0 nays.

The Committee then found by votes of 10 ayes and 1 nay, that each of these counts (1–3), as amended, had been provide by clear and convincing evidence.

A motion to find count four (4) to have been proved was not agreed to by a vote of 1 aye and 10 nays.

Similarly, motions to find counts five and six (5 & 6) to have been proven were not agreed to by votes of 0 ayes and 11 nays.

Counts seven, eight, and nine (7, 8, 9), were found to have been proved by clear and convincing evidence by votes of 9 ayes and 3 nays.

Counts ten and eleven (10 & 11) were similarly sustained by votes of 8 ayes and 4 nays.

With respect to counts twelve, thirteen, and fourteen (12, 13, 14), motions to find them proved were rejected by votes of 2 ayes and 10 nays.

Finally, a motion to find count fifteen (15) to have been proven was rejected by a vote of 1 aye and 10 nays.

B. RATIONALE

In substance the Committee found in counts one through three that Representative Wilson received over a period of time a total of $10,500 from a person with a direct interest in legislation before the Congress, in violation of House Rule XLIII, clause 4, and, in so doing, reflected discredit upon the House of Representatives, in violation of House Rule XLIII, clause 1.

The payments in counts 1 and 2, contrary to the assertions of Mr. Rogers, and despite the fact that the checks were marked "loan", were found not to be true loans. In making this determination the Committee placed particular emphasis on the accepted connotation of the term "loan" as implying a temporary obligation.

The Committee determined that the permanent nature of these transactions, along with the absence of any of the normal indicia of a loan, such as a written loan agreement or note, interest, maturity date, demand or offer of repayment, proved clearly and convincingly that these payments were in fact not loans, but improper gifts.

In reaching this conclusion, the Committee also noted that Representative Wilson had an affirmative duty to report all personal liabilities which exceeded $2,500 as of the close of calendar year 1977 on the Financial Disclosure Statement filed with the Clerk of the House on April 24, 1978, pursuant to House Rule XLIV (Appendix J, Committee hearing Exhibit No. 6).

This document disclosed that Representative Wilson had not reported any obligations or liabilities owed to Mr. Lee Rogers as would have been required had the payments in fact been loans.

The Committee additionally found that the evidence proved clearly and convincingly not only that Mr. Rogers, the donor, had a direct interest in legislation before the Congress, but also that Representative Wilson was aware of this interest when he accepted these gifts (See Statement of Evidence at page 6.

The Committee further found that, in accepting these gifts of substantial value from a person having a direct interest in legislation before the Congress, Representative Wilson also reflected discredit upon the House of Representatives in violation of House Rule XLIII, clause 1.

The findings in counts one, two, and three (1, 2, 3) are considered of a most serious nature by the Committee, as they establish the special interest of the donor in matters over which the donee had influence by virtue of his position in the U.S. Congress.

The amendments to counts one, two, and three by striking references to violations of Rule 5 of the Code of Ethics For Government Service, should not be interpreted as contrary to this finding.

The amendment of these counts resulted from the fact that the evidence failed to show that the receipts in fact occurred "under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties."

Indeed the original charge did not accuse Representative Wilson of in fact being influenced in his official duties, by a person interested in legislation before the Congress. It merely charged that he received gifts from such a person.

The Code of Ethics provision was deleted simply because of insufficient proof that the requirements of that provision had been met in a clear and convincing manner. The portion of the count which remains requires only proof of a gift from a person interested in legislation.

As to other counts, the Committee found that the evidence introduced at the hearing in support of counts seven, eight, and nine (7, 8, 9), proved clearly and convincingly that Representative Wilson had caused funds raised and accounted for as campaign funds to be transferred from his campaign account into his office account, upon which checks were drawn on the same day to repay personal (Rep. Wilson's) bank loans in the following respective amounts: $10,283.35, $5,129.85, and $3,047.91.

The Committee concluded in count ten (10) that Representative Wilson had caused $3,500 to be transferred from his campaign account into his office account, upon which a check was drawn on the same day, in a like amount, and deposited into Rep. Wilson's personal account at the Sergeant at Arms to cover outstanding personal obligations against that account. At the time, the balance in Rep. Wilson's personal account was insufficient to cover the checks outstanding in that account.

Finally, the Committee determined in count eleven (11) that the evidence proved clearly and convincingly that Rep. Wilson had caused $3,000 in campaign funds to be transferred into his personal account at the Sergeant at Arms to cover outstanding personal obligations against that account. At the time, the balance in Rep. Wilson's personal account was insufficient to cover the checks outstanding in that account.

House Rule XLIII, clause 6, read at all times pertinent to counts 7, 8, 9, 10, and 11, as follows:

> 6. A Member of the House of Representatives shall keep his campaign funds separate from his personal funds. He shall convert no campaign funds to personal use in excess of reimbursement for legitimate and verifiable prior campaign expenditures. He shall expend no funds from his campaign account not attributable to bona fide campaign purposes.

In order to sustain a charge alleging a conversion in violation of clause 6 it must be proved that the expenditures were not for reimbursement for legitimate prior campaign expenditures, and that the funds were in fact applied to personal use.

On the basis of the evidence introduced at the disciplinary hearing, the Committee concluded that it had been proved by at least a clear and convincing standard that the transfers from Representative Wilson's campaign account were neither intended as, nor did they represent valid reimbursements for campaign expenditures, which are proper under House Rule XLIII, clause 6.

The Committee further concluded that these transfers were made to repay personal loans of Representative Wilson and to cover outstanding obligations against his personal checking account at the Sergeant at Arms.

STATEMENT OF EVIDENCE

The evidence introduced and the testimony received in support of each charge contained in the Statement of Alleged Violations is attached to this report as Appendix J.

The evidence supporting those Counts which were sustained consists of the following:

COUNT ONE

In addition to the testimony received during the hearing, the evidence supporting Count One (1), consists of a check in the amount of $5,000 from Lee Rogers to Charles H. Wilson (Committee Hearing Exhibit No. 1).

The evidence supporting Mr. Rogers' direct interest in legislation, along with testimony received during the hearing, consists of a series of correspondence among Mr. Rogers, Mr. Rogers' attorney, O. Robert Fordiani, and Representative Wilson, concerning H.R. 5838, 93rd Congress, 1st Session (Committee Hearing Exhibit No. 15), and correspondence between Mr. George Gould and Mr. Rogers concerning postal rates and classification (Committee Hearing Exhibit No. 16).

COUNT TWO

In addition to the testimony received during the hearing, the evidence introduced in support of Count Two (2) consists of a check from Lee Rogers to Charles H. Wilson in the amount of $5,000 (Committee Hearing Exhibit No. 2).

The evidence supporting Mr. Rogers' direct interest in legislation is the same as that cited for Count One (above).

COUNT THREE

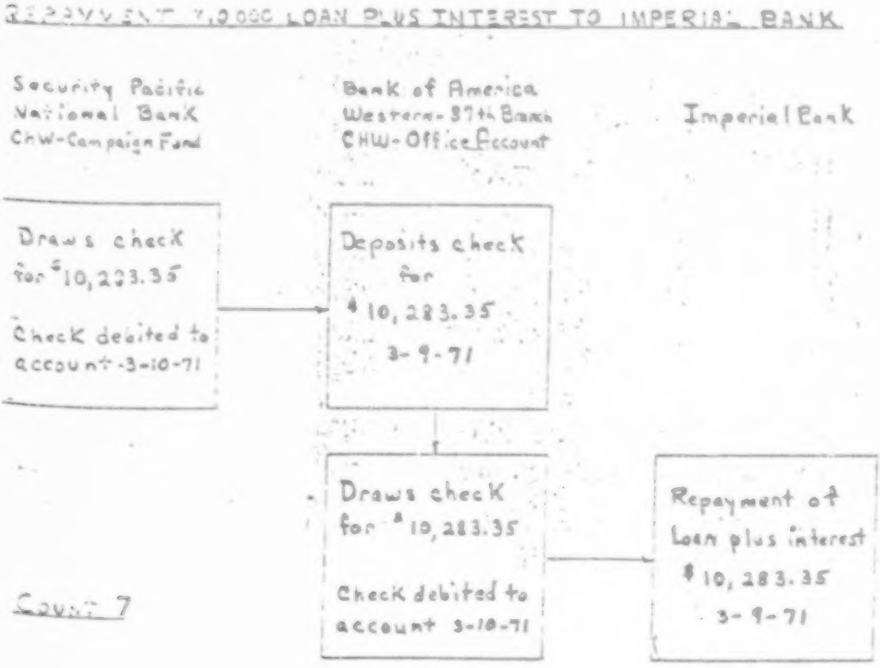
Along with testimony received during the hearing, the evidence introduced in support of Count Three (3) consists of a check from Lee Rogers to Charles H. Wilson in the amount of $500 (Committee Hearing Exhibit No. 3).

The evidence supporting Mr. Rogers' direct interest in legislation is the same as that cited in Count One (above).

COUNT SEVEN

The evidence supporting Count Seven (7) consists of bank ledger sheets and loan records which trace the flow of funds from the Charles H. Wilson Campaign Fund at the Security Pacific National Bank, Culver City Branch, into the Charles H. Wilson—Office Account at the Bank of America, upon which a check was drawn on the same day to repay a personal loan of $10,283.35, documented by the evidence, in the name of Charles H. Wilson.

The flow of funds supported by the evidence is represented by the following chart, and copies of the documents are attached to the report as Committee Hearing Exhibits No. 7(a)–7(e).


REPAYMENT 10,000 LOAN PLUS INTEREST TO IMPERIAL BANK
Security Pacific National Bank CHW-Campaign Fund
Bank of America Western-37th Branch CHW-Office Account
Imperial Bank
Draws check for $10,283.35
Check debited to account 3-10-71
Deposits check for $10,283.35 3-9-71
Draws check for $10,283.35
Check debited to account 3-10-71
Repayment of Loan plus interest $10,283.35 3-9-71
Count 7

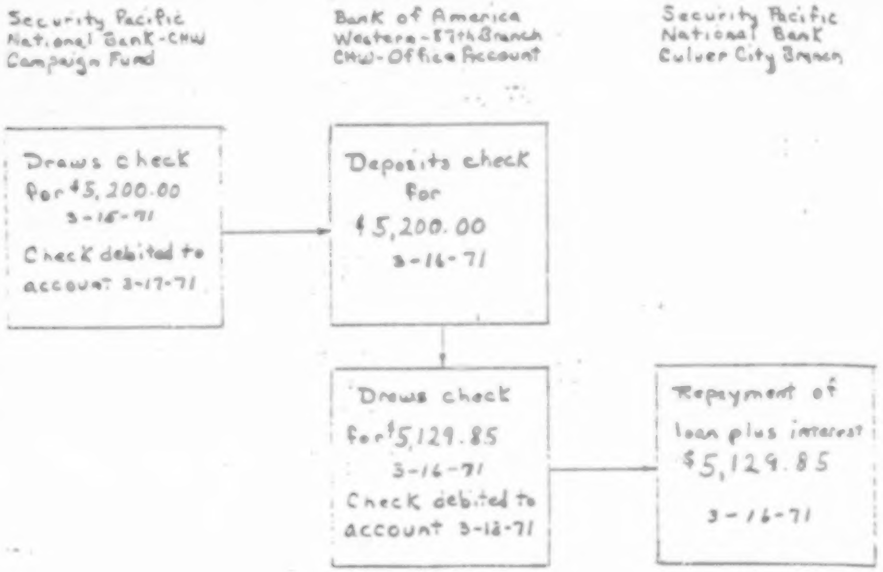
COUNT EIGHT

The evidence supporting Count Eight (8) consists of bank ledger sheets, checks, and loan records which trace the flow of funds from the Charles H. Wilson Campaign Fund at the Security Pacific National Bank, Culver City Branch, into the Charles H. Wilson—Office

Account at the Bank of America, upon which a check was drawn on the same day to repay a personal loan of $5.129.85, also documented by the evidence, in the name of Charles H. Wilson.

The flow of funds supported by the evidence is represented on the following chart and copies of the documents are attached to the report as Committee Hearing Exhibits No. 8(a)-8(e).

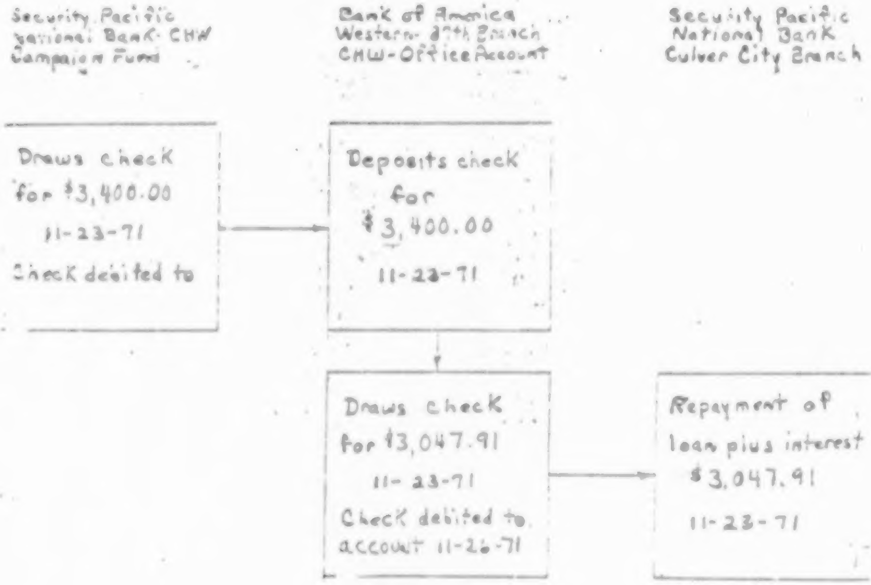
REPAYMENT $5000 LOAN PLUS INTEREST SECURITY PACIFIC NAT'L B.


Security Pacific National Bank-CHW Campaign Fund
Bank of America Western-87th Branch CHW-Office Account
Security Pacific National Bank Culver City Branch
Draws check for $5,200.00 3-15-71 Check debited to account 3-17-71
Deposits check for $5,200.00 3-16-71
Draws check for $5,129.85 3-16-71 Check debited to account 3-18-71
Repayment of loan plus interest $5,129.85 3-16-71

COUNT NINE

The evidence supporting Count Nine (9) consists of bank ledger sheets, checks, and loan records which trace the flow of funds from the Charles H. Wilson Campaign Fund at the Security Pacific National Bank, Culver City Branch, into the Charles H. Wilson—Office Account at the Bank of America, upon which a check was drawn on the same day to repay a personal loan of $3,047.91, in the name of Charles H. Wilson.

The flow of funds supported by the evidence is represented on the following chart and copies of the documents are attached to the report as Committee Hearing Exhibits No. 9(a)-9(g).



REPAYMENT $3,000 LOAN PLUS INTEREST SECURITY PACIFIC NATIONAL BANK

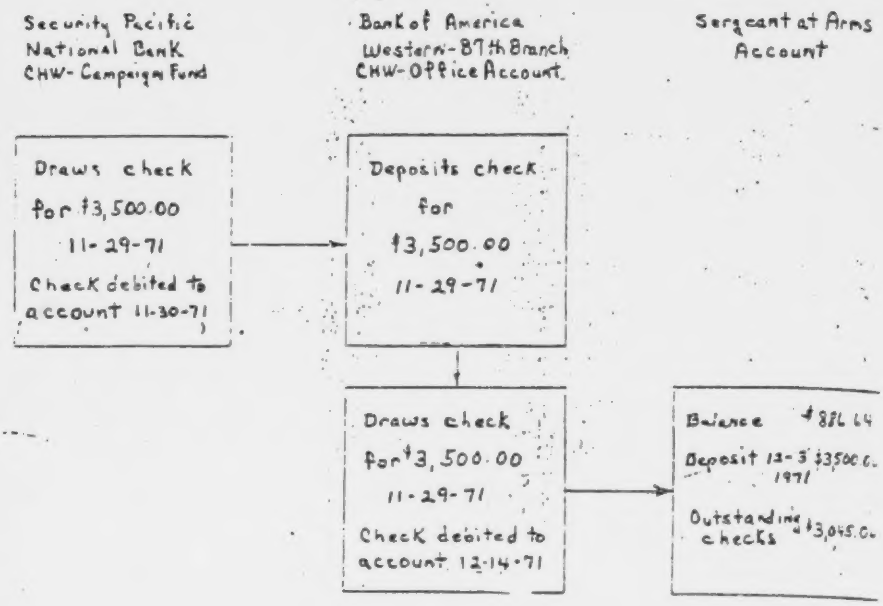
Security Pacific National Bank-CHW Campaign Fund
Bank of America Western-87th Branch CHW-Office Account
Security Pacific National Bank Culver City Branch
Draws check for $3,400.00 11-23-71 Check debited to
Deposits check for $3,400.00 11-23-71
Draws check for $3,047.91 11-23-71 Check debited to account 11-26-71
Repayment of loan plus interest $3,047.91 11-23-71

COUNT TEN

The evidence supporting Count Ten (10) consists of bank ledger sheets, checks, deposit tickets, and statements of account, which trace the flow of funds from the Charles H. Wilson Campaign Fund at the Security Pacific National Bank, Culver City Branch, into the Charles H. Wilson—Office Account at the Bank of America, upon which a check was drawn on the same day in the amount of $3,500.00 and deposited into the Sergeant at Arms account of Representative Charles H. Wilson.

The flow of funds supported by the evidence is represented on the following chart, and copies of the documents are attached to the report as Committee Hearing Exhibits No. 10(a)-10(g).

Campaign Fund Transferred to Personal Account through Office Account


Security Pacific National Bank CHW- Campaign Fund
Bank of America Western-87th Branch CHW-Office Account
Sergeant at Arms Account
Draws check for $3,500.00 11-29-71 Check debited to account 11-30-71
Deposits check for $3,500.00 11-29-71
Draws check for $3,500.00 11-29-71 Check debited to account 12-14-71
Balance $886.64
Deposit 12-3 1971 $3,500.00
Outstanding checks $3,045.00

COUNT ELEVEN

The evidence supporting Count Eleven (11) consists of bank ledger sheets, checks, deposit tickets, and statements of account, which trace the flow of funds from the Charles H. Wilson Campaign Fund at the Security Pacific National Bank, Culver City Branch, into the Sergeant at Arms account of Representative Charles H. Wilson.

The evidence is summarized on the following chart and copies of the documents are attached to the report as Committee Hearing Exhibits No. 11(a)–11(g).

Draw on campaign account		Deposit into personal		Balance prior to deposit	Outstanding checks
Date	Amount	Date	Amount		
Nov. 1, 1971	$3,000	Nov. 4, 1971	$3,000	$381.14	$2,004.25

RECOMMENDATION

Phase One of the disciplinary hearing was completed on April 16, 1980.

After receiving written submissions by counsel for the Committee and counsel for Representative Wilson pursuant to Committee Rule of Procedure 16(f),[12] the Committee met on April 24, 1980, in executive session pursuant to Committee Rule of Procedure 17(b) for the purpose of determining what sanctions, if any, to recommend to the House.

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[12] Appendix L.

In determining the sanctions to recommend, the Committee carefully considered not only the nature and severity of each individual count proved, but also the offense represented by the total of these counts. The full range of sanctions available to the House was considered by the Committee.

The severity of the improper conduct was carefully weighed against past actions of the House in sanctioning Members for improper conduct and the guidelines for the recommendation of sanctions which are contained in Rule 17 of the Committee Rules of Procedure. The applicable text of the Rule reads as follows:

> (b) (1) With respect to any violation with which a Member of the House was charged in a count which the Committee has voted as proved, the Committee may include in its recommendation to the House one or more of the following sanctions:
>
> (A) Expulsion from the House.
>
> (B) Censure.
>
> (C) Reprimand.
>
> (D) Fine.
>
> (E) Denial or limitation of any right, power, privilege, or immunity of the Member if under the Constitution the House may impose such denial or limitation.
>
> (F) Any other sanction determined by the Committee to be appropriate.
>
> * * * * *
>
> (c) (1) The purpose of this clause is to inform the Members of the House of Representatives as to the general guidelines the Committee considers appropriate for determining which, if any, sanctions to recommend to the House respecting violations proved in a disciplinary hearing. This clause does not limit the authority of the Committee to make or not to make recommendations for such sanctions.
>
> (2) For technical violations, the Committee may direct that the violation be reported to the House without a recommendation for a sanction.
>
> (3) With respect to the sanctions which the Committee may determine to include in a recommendation to the House respecting a violation, reprimand is appropriate for serious violations. censure is appropriate for more serious violations, and expulsion of a Member or dismissal of an officer or employee is appropriate for the most serious violations. A recommendation of a fine is appropriate in a case in which it is likely that the violation was committed to secure a financial benefit; and a recommendation of a denial or limitation of a right, power, privilege, or immunity of a Member is appropriate when the violation bears upon the exercise or holding of such right, power, privilege, or immunity.

A majority of the Committee then determined that, in light of the nature and severity of Representative Wilson's improper conduct, the appropriate sanction would be censure and a denial of the chair on any Committee or Subcommittee for the remainder of the 96th Congress.

In recommending that Representative Wilson be denied the chair on any Committee or Subcommittee of the House for the remainder of the 96th Congress, it is the intention of the Committee that Representative Wilson be immediately removed from the chairmanship of any Committee or Subcommittee of the House, that he be ineligible to hold any such position for the remainder of the 96th Congress, and, in the absence of the chairman of any Committee or Subcommittee, that Representative Wilson not be allowed to assume the duties of the chair.

Accordingly, on a motion by Representative F. James Sensenbrenner, Jr., the Committee, by a vote of 10 ayes and 2 nays, agreed to recommend that ~~the~~ House adopt the following Resolution.

House Resolution

Resolved:

(1) That Representative Charles H. Wilson be censured;

(2) That Representative Charles H. Wilson be denied the chair on any Committee or Subcommittee of the House of Representatives for the remainder of the 96th Congress;

(3) That upon adoption of this Resolution, Representative Charles H. Wilson forthwith present himself in the well of the House of Representatives for the public reading of this Resolution by the Speaker; and

(4) That the House of Representatives adopt the Report of the Committee on Standards of Official Conduct dated May 8, 1980, In The Matter of Representative Charles H. Wilson.

The Committee recommends that the House adopt the above Resolution.

Statement Pursuant to Rule XI, Clause 2(1)(3)(A)

The Committee makes no special oversight findings in this report.

This report was approved by the Committee on Standards of Official Conduct on May 1, 1980, by a vote of 9 yeas; 2 nays.

EXHIBIT NO. 46

96TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPT. 96-
351 VOL. I

IN THE MATTER OF REPRESENTATIVE CHARLES C. DIGGS, JR.

JULY 19, 1979.—Referred to the House Calendar and ordered to be printed

Mr. BENNETT, from the Committee on Standards of Official Conduct, submitted the following

REPORT

[To accompany H. Res. 378]

PART I—BACKGROUND OF THE INVESTIGATION

On October 7, 1978, Representative Charles C. Diggs, Jr., of the 13th District of Michigan was convicted in the United States District Court for the District of Columbia on 11 counts of an indictment charging violations of 18 U.S.C. 1341 (Mail Fraud) and 18 counts charging violations of 18 U.S.C. 1001 (False Statement).[1] The gravamen of the charges against Representative Diggs was that he initiated and operated a scheme to defraud the Government by inflating several of his employees' salaries in order to enable them to pay certain of his personal and congressional expenses. Representative Diggs was found to have executed materially false official documents, payroll authorization forms, and to have caused the mails to be used in furtherance of the fraudulent scheme.

Representative Diggs was sentenced to 3 years imprisonment on each of the 29 counts, said sentences to run concurrent by the counts. Timely appeal was taken to the United States Court of Appeals for the District of Columbia, where oral argument was heard on June 11, 1979. The Court of Appeals had not ruled at the time of this Report.

On February 1, 1979, Chairman Charles E. Bennett communicated to the Members of the Committee that he would, subject to Committee approval, appoint a subcommittee of two members to look into the matter of the conviction of Representative Diggs. Accordingly, on February 7, 1979, at the organizational meeting of the Committee, Representatives Hamilton and Hollenbeck were named to that subcommittee.

In a sworn complaint filed on February 2, 1979, with the Committee, Representative Newt Gingrich and eighteen other Members of the House of Representatives charged that Representative Diggs' misuse of his clerk-hire allowance—essentially the same conduct which led to Representative Diggs' indictment and conviction—constituted a violation of House Rule XLIII, Clause 1, Code of Official Conduct. A resolution to expel Representative Diggs was offered on the floor of the House on March 1, 1979, and subsequently referred to the Committee. On March 21, 1979, a formal resolution to conduct an inquiry into the official conduct of Representative Diggs was adopted by the Committee by vote of 9 to 0.

On March 28, 1979, the Committee denied by a vote of 9 to 3 a motion by Representative Diggs, made through a letter from his counsel dated March 23, 1979, that the Committee defer action until conclusion of the judicial appellate process.

After receiving from its Special Counsel a summary of the evidence against Representative Diggs, the Committee by vote of 10 to 0 adopted a Statement of Alleged Violations on April 4, 1979.[2]

Comprised of 18 counts charging violations of House Rule XLIII, Clauses 1 and 8, the Statement alleged generally that Representative

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[1] *United States* v. *Charles C. Diggs, Jr.*, Crim. No. 78–142 (D.D.C. Nov. 20, 1978).

[2] App. A hereto.

Diggs, for the purpose of enabling several of his employees to pay certain of his personal and congressional expenses, inflated the salaries of these employees beyond levels commensurate with their respective duties, and that he had thereby brought discredit to the House by his conduct.

In response to the adoption of the Statement of Alleged Violations, Representative Diggs, through counsel, filed the following on April 25, 1979: a Motion to Dismiss for Lack of Jurisdiction, with supporting memorandum;[3] a Motion to Defer Committee Action Pending Completion of Judicial Proceedings, with supporting memorandum;[4] a Motion for Bill of Particulars; and a Request for Admissions, with supporting memorandum. Responses were subsequently filed by the Committee's Special Counsel[5] and oral argument was heard on May 16, 1979. There being no votes in favor of granting the Motion to Dismiss, that motion was denied. The Motion to Defer was denied by vote of 8 to 3.

After the Committee's Special Counsel responded to the Request for Admissions, Representative Diggs moved for dismissal of counts 17 and 18 of the Statement of Alleged Violations on grounds that they were based on evidence obtained in breach of Federal grand jury secrecy rules. After oral argument the motion was denied on May 23, 1979, by vote of 8 to 3.

Representative Diggs submitted a general denial of the charges against him on June 6, 1979.

On June 7, 1979, the Committee adopted a statement of the Scope and Purpose of the Investigation pursuant to Committee Rule 16(c).[6]

Subpoenas for the appearance of witnesses and the production of certain documents were issued on June 13, 1979. The hearing was scheduled to begin on June 25, 1979.

Because of delays in the production of certain subpoenaed bank records, the hearing was continued on a day-to-day basis, subject to call of the Chair, on June 25, 1979.

On June 29, 1979, Representative Diggs, through his attorney, presented to the Committee a letter (dated June 27, 1979) admitting he was guilty of misuse of clerk-hire funds, thereby violating House Rule XLIII, Clauses 1 and 8, admitting he personally benefitted from improper use of clerk-hire funds, agreeing to make restitution of the amount by which he personally benefitted from the misuse of funds, and apologizing to his colleagues for his conduct.[7] More specifically, Representative Diggs (1) admitted that he violated House Rule XLIII, Clauses 1 and 8, in his employment of Ms. Jean Stultz, (2) admitted that he was personally enriched by the use of clerk-hire funds paid to Jean Stultz, Felix Matlock, Ofield Dukes, Jeralee Richmond and George Johnson, and (3) agreed to repay $40,031.66, the full amount of his admitted personal benefit.

After receipt of Representative Diggs' letter and admission into evidence of the transcript of Representative Diggs' criminal trial, the Committee by unanimous (11–0)[8] vote resolved to find Representative Diggs guilty of violating House Rule XLIII, Clauses 1 and 8 and to recommend to the House that Representative Diggs be censured and that the required restitution be evidenced by the execution of an interest-bearing demand promissory note.[9]

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[3] App. B hereto.
[4] App. D hereto.
[5] Apps. C and E.
[6] Pt. III, infra.
[7] Pt. V, B, infra.
[8] On the same day Representative Livingston indicated that had he been present he would have voted with the majority, vol. 125, Congressional Record H5476 (1979).

PART II—THE JURISDICTIONAL ISSUE

Counsel for the Member, following the service upon him of the Statement of Alleged Violations, filed a motion pursuant to Committee Rule 12(a) and 12(a)(3) "to terminate (the) proceedings for lack of jurisdiction." The motion was supported and opposed by memoranda submitted respectively by counsel for the Member and Special Counsel to the Committee. These memoranda, which provide a comprehensive review of the legislative precedents and Constitutional principles pertinent to the issue, are found in the Appendices to this Report.[10]

The gist of the Member's argument was that the power of the House to punish for misconduct is terminated by the Member's reelection, at least where alleged misconduct was known to his constituency prior to his reelection. In this case the Committee could assume such knowledge existed since Representative Diggs was convicted of misuse of his clerk-hire allowance approximately a month before his most recent election. The legislative precedents on which the Member relied in support of his motion, however, mostly concerned the power to expel under such circumstances. His counsel maintained that the power to expel conferred by Article I, Section 5, of the Constitution of the United States[11] conflicted with the right of his constituency under Article I, Section 2[12] of the Constitution to elect and have him serve as their representative, and that the conflict must be resolved in favor of the Member's constituency.

In response Special Counsel to the Committee urged that the question of whether the power to expel was present in this case was prematurely raised and that it need be decided only following a determination of guilt when the Committee would have to decide on the form of disciplinary sanction to recommend to the House. Special Counsel's review of the legislative precedents in prior disciplinary proceedings leads most convincingly to the conclusion that the House has jurisdiction under Article I, Section 5, to inquire into the misconduct of a Member occurring prior to his last election, and under appropriate circumstances, to impose at least those disciplinary sanctions that fall short of expulsion. After hearing oral argument from both counsel, the Committee unanimously denied the Member's motion, ruling that jurisdiction to proceed was clearly conferred by Article I, Section 5, of the Constitution.

To have reached a contrary result concerning the jurisdiction of this Committee or the House in this matter would have required it to overrule or ignore many well reasoned precedents, including very recent opinions of the Committee. Virtually identical claims of lack of jurisdiction were raised but rejected by the Committee in proceedings involving Representative Roybal (95th Congress) and Representative Harrington (94th Congress). Similarly, the House took disciplinary action with respect to conduct occurring prior to the Member's last election in the cases of Representative Sikes (94th Congress) and Representative Powell (90th Congress). In recent years, the Senate has also disciplined with respect to prior misconduct in the cases of Senator Dodd (90th Congress) and Senator McCarthy (83d Congress). These precedents are consistent with earlier precedents involving punishment for prior misconduct, *e.g.*, *Matthew Lyon*, 5th Congress (1799);[13] *Oakes Ames* and *James Brooks*, 42d Congress (1873) and *Senator William Blount*, 5th Congress (1797).[14] The proceedings cited are all discussed in Special Counsel's memorandum.

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[9] Pt. VI, infra.

[10] Apps. B and C.

[11] "Each House may punish its Members for disorderly behaviour, and, with the concurrence of two-thirds, expel a Member."

[12] "(T)he House of Representatives shall be composed of Members, chosen every second Year by the People of the several States. * * *"

An excellent discussion of the purpose and scope of the disciplinary power conferred on the House by Article I, Section 5, of the Constitution is found in the report of the Committee on the Judiciary, 63d Congress (1914),[15] from which we quote:

> *In the judgment of your committee the power of the House to expel or otherwise punish a Member is full and plenary* and may be enforced by summary proceedings. *It is discretionary in character*, and upon a resolution for expulsion or censure of a Member for misconduct each individual Member is at liberty to act on his sound discretion and vote according to the dictates of his own judgment and conscience. *This extraordinary discretionary power is vested by the Constitution in the collective membership of the respective Houses of Congress, restricted by no limitation except in case of expulsion the requirement of the concurrence of a two-thirds vote.*
>
> *In the judgment of your committee, the power of the House to expel or punish by censure a Member for misconduct occurring before his election or in a preceding or former Congress is sustained by the practice of the House, sanctioned by reason and sound policy and in extreme cases is absolutely essential to enable the House to exclude from its deliberations and councils notoriously corrupt men, who have unexpectedly and suddenly dishonored themselves and betrayed the public by acts and conduct rendering them unworthy of the high position of honor and trust reposed in them.*
>
> But in considering this question and in arriving at the conclusions we have reached, we would not have you unmindful of the fact that *we have been dealing with the question merely as one of power, and it should not be confused with the question of policy also involved.* (Emphasis supplied) (H.R. Rept. No. 570, 63d Cong., 2d sess. (1914).)

The report proceeds to state that the House, as a matter of policy, should exercise its "extraordinary prerogative only in extreme cases, always with great caution and after due circumspection," particularly when the Member's conduct was known to his electorate at the time of his last election. However, as the report emphasizes, power is not to be confused with policy or discretion, and it was the power of Congress which the Member's motion to dismiss for lack of jurisdiction challenged.

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[13] A motion to expel failed 49–45. Though lacking the two-thirds required for expulsion, it indicates a majority of the House, acting only ten years following adoption of the Constitution, were of the opinion that the power to punish extended to conduct committed prior to the member's election.

[14] Senator Blount was expelled by a vote of 25–1.

[15] The Committee was investigating allegations that a Member had been improperly influenced by lobbying activities. The Committee determined the evidence did not warrant expulsion, but did warrant censure. The Member resigned prior to consideration of the report by the House.

Because of the Committee's recommended disposition of the matter it need not express an opinion on the Constitutional issue of whether the House has the power to expel the Member in the instant case. Indeed, the Committee deems it unwise to do so, preferring to exercise restraint and to avoid the unnecessary expressions of views on Constitutional questions. This does not suggest that the possibility of expulsion was never discussed but instead reflects the ultimate determination by the Committee that the extreme penalty of expulsion was not justified considering the circumstances of this case and the offenses charged. Prominent among the considerations in reaching that determination was the fact that expulsion is the most serious penalty that can be imposed by the House, and the precedents indicate that this has been so recognized in the past. In fact, the House has exercised the power to expel in only three instances, all invoving Members who, during the Civil War, left the House to support the Confederate cause. In the eyes of some this amounted to treason, certainly nothing similar to what occurred in the instant case. The Committee and the House cannot overlook entirely the reelection of Rep. Diggs following his conviction and due respect for that decision by his constituents is a proper element in the consideration of this case.

Part III—Scope and Purpose of the Investigation

Pursuant to Committee Rule 16(c), the Committee on June 7, 1979, adopted the following statement of the Scope and Purpose of the Investigation:

SCOPE AND PURPOSE OF THE INVESTIGATION

On April 4, 1979, the Committee adopted a Statement of Alleged Violations, a copy of which is attached hereto.[16] The allegations made in that Statement can be summarized as follows:

For differing periods of time from January, 1973, through January, 1977, Representative Diggs maintained on his staff payroll at salary levels not commensurate with the services performed by each, the following individuals: Jean G. Stultz, Felix Matlock, Ofield Dukes, Jeralee Richmond, George G. Johnson, and Maria A. Reynolds. Representative Diggs maintained these individuals on his payroll either with knowledge that a portion of their compensation would be used to pay his expenses or in order to discharge his personal indebtedness. The conduct of Representative Diggs with respect to the employment of each of these individuals reflected discredit on the House of Representatives.

The hearing shall be conducted in accordance with Subpart B (Disciplinary Hearings) of the Committee's Rules of Procedure. The first phase of the disciplinary hearing shall be limited to a determination of whether or not the counts in the Statement have been proved, in accordance with Rule 16(a). The burden of proof rests on the Committee's staff with respect to each count to establish the facts alleged therein clearly and convincingly by the evidence that it introduces. Evidence will be limited to that which is relevant to the charges raised in the Statement of Alleged Violations. Pursuant to Rule 20 of the Committee's Rules, the Chairman or presiding Member shall rule on admissibility of evidence.

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[16] App. A hereto.

Should the Committee find that any or all of the charges against Representative Diggs have been proved, the second phase of the hearing will be conducted to determine what disciplinary action should be recommended to the House. Conducted in accordance with Rules 16(f) and 17 of the Committee's rules, this second phase shall consist of oral and/or written submission by Counsel for the Committee and counsel for Representative Diggs as to the sanction the Committee should recommend. Pursuant to Rule 16(f) testimony by witnesses will not be heard during the second phase except by a vote of a majority of the Committee.

PART IV—JUDICIAL PROCEEDINGS

A. INDICTMENT AND TRIAL

A grand jury sworn in on October 13, 1976, in the U.S. District Court for the District of Columbia on March 23, 1978, indicted Representative Charles C. Diggs, Jr., on 14 counts of violating 18 U.S.C. 1341 (mail fraud) and 21 counts of violating 18 U.S.C. 1001 (false statement). All counts of the indictment were related to an alleged scheme by Representative Diggs to defraud the government by either (1) inflating employees' salaries in order that they could "kick back" the increase by paying his personal and congressional expenses, or (2) adding individuals to his congressional payroll to compensate them for providing him personal services.

After the government voluntarily withdrew 6 counts of the indictment, on September 27, 1978, a jury trial was begun on the remaining 11 mail fraud counts and 18 false statements counts. On October 7, 1978, the jury returned a verdict of guilty on all counts.

On November 21, 1978, Representative Diggs was sentenced to three years' imprisonment on each count, said sentences to run concurrent by the counts.

B. APPEAL

On appeal of his criminal conviction, Representative Diggs has challenged the trial judge's denial of motions for a hearing concerning selective prosecution and for acquittal at the close of the government's case, as well as denial of his motion for judgment notwithstanding the verdict.

Representative Diggs' arguments on appeal may be summarized as follows:

> 1. The Executive Branch may not predicate a criminal prosecution on alleged violation of the Rules of the House of Representatives. Disciplining a House Member for violating House Rules is a "political question," the resolution of which is reserved solely to the legislature. Criminal conviction on the basis of violations of House Rules represents an unwarranted intrusion into the House's constitutional prerogative to "determine the rules of its proceedings (and) punish its Members . . ." under Article I, Section 5, of the Constitution.
>
> 2. The government failed to produce any evidence of the standard of conduct Representative Diggs allegedly sought to violate or evade in his alleged scheme to defraud. The

government tried its case on the theory that intent to defraud, a necessary element of both crimes charged, could be inferred from either conduct related to the payment of Representative Diggs' personal expenses or that related to the payment of his congressional expenses. The government offered no evidence of restrictions or prohibitions on the use of clerk-hire funds to defray congressional expenses. Rather, the evidence showed that it was not an uncommon practice to use clerk-hire funds for congressional expenses. Absent such a standard which Representative Diggs may have sought to avoid, there can be no inference of intent to defraud and, therefore, no conviction.

No counts of the indictment charged use of clerk-hire funds solely for personal expenses. Rather, all alleged misuse of funds for personal and congressional expenses. That some clerk-hire funds were used for congressional expenses was not contested by the defendant. The trial judge erred in not recognizing the distinction between the two and instructing the jury that it should infer intent to defraud if it found that clerk-hire funds were used for either congressional or personal expenses. The effect of such an instruction was to direct a verdict against the defendant on the issue of intent. Such an invasion of the province of the jury warrants reversal of the conviction.

3. The False Statement counts were premised on Representative Diggs' failure to disclose on payroll authorization forms (1) that Jean Stultz, Felix Matlock and Ofield Dukes were paying expenses; and (2) that Jeralee Richmond and George Johnson were providing both congressional and personal services. The government was obligated to prove that these omissions were material, that the omitted material had to affect the decisions or operations of the House Office of Finance. The Chief of the Office of Finance testified that the information allegedly concealed was not called for by the payroll authorization forms and was immaterial to the decisions and operations of his office. Since the omissions were not shown to be material, the convictions for False Statements must be reversed.

4. The False Statement convictions were based on the payroll authorization forms for employees who paid expenses for Representative Diggs and for employees who provided both congressional and personal services. When any of those employees received his congressional check through the mail, the government also charged Mail Fraud. The mailing of salary checks was routine and incidental to any alleged scheme to defraud. There were no mailings essential to the scheme, upon which a Mail Fraud conviction could stand.

5. The trial judge erred in denying Representative Diggs' motion for discovery and an evidentiary hearing on his allegation of selective prosecution. Representative Diggs should have been afforded the opportunity to explore why, in his case, the Executive Branch undertook to intrude upon the House's administration of its own affairs while, in other in-

distinguishable cases, the alleged improprieties were left to Congress to deal with.

The government's response to Representative Diggs' argument on appeal may be summarized as follows:

1. The prosecution of Representative Diggs was misconstrued by the appellant as being based on a violation of internal House Rules, and therefore a violation of the principle of separation of powers. In fact, Representative Diggs was prosecuted for devising and directing a scheme to defraud the United States through the use of employee salary kickbacks and the payment of congressional salaries to other persons to perform personal and private business services. The use of evidence relating to a breach of House Rules, *inter alia*, to prove intent to defraud, does not contravene the prerogative of the House to "determine the rules of its proceedings [or] punish its Members" under Article I, Section 5, of the Constitution.
2. In order to prove intent to defraud, the government need not, as appellant argues, prove the violation of some underlying statute or regulation. The existence of a scheme to defraud, in whatever form, and the question of criminal intent are for the jury to decide from the totality of the evidence, regardless of whether the scheme includes violation of another law. Contrary to appellant's assertion that no evidence was offered of restrictions or prohibitions on the use of clerk-hire funds, Advisory Opinion Number 2 of the Committee on Standards of Official Conduct, clearly limiting the use of clerk-hire funds, was offered and received into evidence.
3. The facts omitted from the payroll authorization forms were "material" within the meaning of the False Statement statute because the facts concealed could have influenced the exercise of a governmental function.
4. There was clear evidence from which the jury could find under the Mail Fraud statute (1) that it was "reasonably foreseeable" that the mails could be used to carry payroll checks from Washington, D.C., to Detroit, Mich., and (2) that the mailing of the checks which contained the proceeds of the fraud was "in furtherance of" the scheme to defraud.
5. The appellant failed to allege or establish *prima facie* that he was prosecuted for impermissible reasons. It was, therefore, not improper to deny his motion to dismiss for selective prosecution without an evidentiary hearing or further discovery. General assertions of possible future abuses of prosecutorial discretion do not justify a fishing expedition through the files of the Department of Justice.

Oral argument on Representative Diggs' appeal was heard by a panel of three judges in the U.S. Court of Appeals for the District of Columbia on June 11, 1978. A decision is expected this Fall.

Part V—Summary of Evidence

The principal evidence considered by the Committee was the transcript of the trial of Rep. Diggs and the admissions contained in Representative Diggs' letter of June 27, 1979.

A. SUMMARY OF TRIAL TESTIMONY

On October 7, 1979, Representative Diggs was convicted in the United States District Court for the District of Columbia of 18 counts of violating 18 U.S.C. 1001 (false statement) and 11 counts of violating 18 U.S.C. 1341 (mail fraud). Of those counts, five centered on Representative Diggs' employment of Ms. Jean Stultz, six on his employment of Mr. Felix Matlock, two on his employment of Mr. Ofield Dukes, six on his employment of Ms. Jeralee Richmond, and ten on his employment of Mr. George G. Johnson.

The evidence from Representative Diggs' trial may best be summarized by separately reviewing the testimony relevant to each of the five employees alleged to have been involved in the alleged salary kickback scheme: Jean Stultz, Felix Matlock, Ofield Dukes, Jeralee Richmond and George G. Johnson.[17]

Ms. Jean Stultz

1. Concerning those charges relating to her own involvement, Ms. Jean Stultz testified under oath at Representative Diggs' trial substantially as follows:

Ms. Stultz met Representative Diggs while working for the Democratic National Committee in Miami in July, 1972. She joined Representative Diggs' staff in October, 1972, as a legislative assistant at a salary of $11,000 (Vol. II at 147).[18] Three or four months later, she was appointed personal secretary to Representative Diggs and her salary was increased to approximately $14,000. Her responsibilities as personal secretary to Representative Diggs included maintaining his appointment calendar (Id. at 153) and handling financial matters for both his congressional office and for Representative Diggs personally (Id. at 154).

In April or May, 1973, Ms. Stultz was promoted to office manager (Id. at 155) of Representative Diggs' congressional staff.

Ms. Stultz was subsequently appointed by Representative Diggs to the staff of the House District Committee, of which Representative Diggs was Chairman. Although she received a second salary for this position, she performed no duties for the District Committee, but understood her nominal position to be that of liaison between Representative Diggs' congressional and committee staffs (Id. at 157).

Some time in 1973, Representative Diggs personally explained to Ms. Stultz that there existed certain of his bills which needed to be paid, that he was going to increase her salary and that he would tell her which of his bills should be paid (Id. at 158). Ms. Stultz then began to receive paychecks from both the congressional and committee staff payrolls (Id. at 159, 382), giving her a total salary in excess of $30,000 per year (Id. at 161).

Under the bill-paying arrangement developed between Representative Diggs and Ms Stultz, she would present Representative Diggs a list of creditors each month and he would direct her to pay certain of the bills from what she referred as the "special account" (Id. at 163). Ms. Stultz identified numerous of her checks used to pay Representative Diggs' personal expenses under this arrangement (Id. at

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[17] Vol. II of this Report, separately bound, contains excerpts from the transcripts of Representative Diggs' trial.

[18] All transcript references are to vol. II.

170–178) as well as her personal checks used to purchase cashier's checks and money orders which were then used to pay Representative Diggs' bills (Id. at 180). Among the transactions in which Ms. Stultz paid expenses for Representative Diggs with her salary overage were the following:

(1) $1,000 for a portrait of Representative Diggs to be hung in the District Committee office (Id. at 184; Govt. Exh. 25–A, 25–B);[19]

(2) $700 Michigan Bell Telephone bill (Id. at 187; Govt. Exh. 26–A, 26–B);

(3) $525 bill from Barnett Catering for catering a reception (Id. at 188–89; Govt. Exh. 27–A, 27–B);

(4) $115.65 bill from Gandel's Liquor for the same reception (Id. at 189–190; Govt. Exh. 28, 45–AA);

(5) $51 bill from "Call Carl" for repair work on Representative Diggs' car (Id. at 191–92, Govt. Exh. 28);

(6) $900 to the House Majority Room for printing services (Id. at 192–93; Govt. Exh. 30–A, 30–B), and

(7) $13.59 bill from Detroit Edison (Id. at 193–94; Govt. Exh. 31–A).

The payroll authorization forms which initiated all staff salary changes were normally signed by Representative Diggs, but Ms. Stultz did recall signing at least three such forms herself (Id. at 236–38). Ms. Stultz identified Representative Diggs' signature on all payroll authorization forms relevant to the charges (Id. at 313–17).

2. John Lawler, Chief of the Office of Finance, testified under oath substantially as follows:

The Office of Finance is the disbursing office for congressional staff payrolls. A payroll authorization form is the document used to add or delete an employee from a personal or committee staff payroll or to adjust an employee's salary (Id. at 8–11).

Mr. Lawler identified the payroll authorization forms signed by Representative Diggs affecting changes in Jean Stultz's congressional staff salary from October 13, 1972, through August 31, 1976 (Id. at 25–27: Govt. Exh. 1–A—1–L), and verified the issuance of Treasury checks based upon those authorizations (Id. at 28–29; Govt. Exh. 2). Mr. Lawler also identified payroll authorization forms signed by Representative Diggs affecting Ms. Stultz's District Committee salary from April 1, 1973, through Sept. 30, 1974 (Id. at 29–30; Govt. Exh. 4–1—4–E), and checks issued in accordance with those authorizations (Id. at 31–32; Govt. Exh. 5).

3. Mr. Robert B. Washington, ex-General Counsel of the House District Committee, testified under oath substantially as follows:

Ms. Jean Stultz was actively involved in the operation of the House District Committee (Id. at 938–40). She coordinated Representative Diggs' calendar and acted as liaison between the Committee staff and Representative Diggs' personal staff (Id. at 938–39). Ms. Stultz also attended several meetings between Robert B. Washington and Representative Diggs relevant to Committee business (Id.).

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[19] Total cost of the portrait was $2,270; payment was made with two cashier's checks from Riggs National Bank. Ms. Stultz recalled having purchased one of the checks for $1,000, with her salary overage. The second, for $1,270, was purchased under circumstances which also suggest it was purchased by Ms. Stultz with her inflated salary.

4. Representative Diggs testified under oath substantially as follows: Ms. Stultz, as his personal secretary, was aware of Representative Diggs' financial difficulties (Id. at 1090-91). They had discussed the portrait of Representative Diggs being painted for the District Committee office, and Ms. Stultz offered to make part of her salary available to pay for the portrait (Id. at 1092). Representative Diggs told Ms. Stultz she could do whatever she liked with her salary (Id.). Ms. Stultz did pay for the portrait (Id. at 1093).

Ms. Stultz eventually began to pay office expenses and Representative Diggs' personal expenses from her salary (Id. at 1095-96). Such payments were completely voluntary and not a condition of her employment (Id. at 1101). Although Ms. Stultz's initial payments were of only Representative Diggs' office expenses, she began paying Representative Diggs' personal expenses at Representative Diggs' request (Id. at 1229-30). Representative Diggs did not consider Ms. Stultz's use of her salary in this manner to be in the form of a loan (Id. at 1232).

Representative Diggs was aware of the fact that Stultz, Matlock, and Dukes paid his office expenses from their salaries (Id. at 1234).

Felix Matlock

1. Ms. Jean Stultz testified under oath substantially as follows: As office manager, Ms. Stultz had a supervisory relationship with Felix Matlock, an employee in Representative Diggs' District Office in Detroit (Id. at 240). Some time in 1975, Representative Diggs suggested to her that the salary of one of his District Office employees be increased for the purpose of paying his bills (Id. at 244). With the recommendation of Ms. Stultz that Matlock was the most loyal of the District Office employees (Id.), Representative Diggs increased Matlock's salary by submission of a payroll authorization form (Id. at 245). Subsequent to this increase in salary, a procedure was established whereby Representative Diggs instructed Ms. Stultz as to which bills Matlock was to pay, and Ms. Stultz relayed the instructions to Matlock (Id. at 246).

2. Felix Matlock testified under oath substantially as follows: Mr. Matlock had been employed in Representative Diggs' District Office since 1965. In 1973 and 1974, he infrequently paid office expenses of Representative Diggs from his own salary at the direction of Jean Stultz (Id. at 483, 486). His paycheck was regularly increased to facilitate his making these payments of Representative Diggs' expenses (Id. at 484).

In mid-1975, Mr. Matlock's payment of District Office expenses became frequent (Id. at 487). To enable him to make these payments, Matlock's salary was increased from approximately $15,000 per year in 1975 to a maximum of $35,000 per year by the end of 1976 (Id. at 487–488). To allow him to satisfy his increased income tax liability, Matlock retained 7 percent of the salary overage (Id. at 489).

After Ms. Stultz's resignation at the end of August, 1976, Matlock continued to pay District Office expenses of Representative Diggs with his inflated salary, receiving his instructions as to what bills to pay directly from Representative Diggs (Id. at 525).

Typifying the sort of bills paid by Matlock for Representative Diggs under this arrangement are the following:

(1) $85 to Merle Staff Sign Co. for office sign painting (Id. at 496; Govt. Exh. 47-G);

(2) $277 to WJLB for Congressman Diggs' radio program (Id. at 496-97; Govt. Exh. 47-H);

(3) $70.30 to One-Stop Locksmith (Id. at 497; Govt. Exh. 47-I);

(4) $200 to Michigan Bell (Id.; Govt. Exh. 47-J);

(5) $14 to Borin (sic) Oil Company (Id. at 498; Govt. Exh. 48-P);

(6) $38.85 to Edison Company (Id.; Govt. Exh. 48-B);

(7) $101.46 to Jim Riehl Leasing for lease of mobile van used by District Office (Id. at 499; Govt. Exh. 48-D);

(8) $500 to WJLB (Id. at 500; Govt. Exh. 48-M);

(9) $400 to House Recording Studio for taping programs (Id. at 501; Govt. Exh. 48-P);

(10) $300 to WJLB for Representative Diggs' radio program (Id.; Govt. Exh. 48-Q).

Mr. Matlock stopped paying office expenses in January, 1977, at the direction of Representative Diggs and Randall Robinson, Representative Diggs' replacement for Ms. Stultz as his administrative assistant (Id. at 528-29). Matlock's salary was reduced at that time to $20,000 per year (Id. at 529) by a payroll authorization form signed by Representative Diggs (Id. at 39-42, 315-16).

3. John Lawler, Chief of the Office of Finance, testified under oath substantially as follows:

Mr. Lawler identified payroll authorization forms signed by Representative Diggs affecting changes in the salary of Felix Matlock from Jan. 1, 1973, through January 1, 1977 (Id. at 39; Govt. Exh. 7-A—7-R), and verified the issuance of Treasury checks in accordance with those authorizations (Id. at 39-42; Govt. Exh. 2, 9A—9I).

4. Representative Diggs testified under oath substantially as follows:

Mr. Felix Matlock personally paid the office expenses of Representative Diggs' District Office and was then reimbursed with increases in his congressional staff salary (Id. at 1111). Representative Diggs denied that it was he who directed which creditors were to be paid by Matlock (Id. at 1239). Representative Diggs confirmed that the pay increase to Matlock's salary effective August 1, 1975, was for the purpose of Matlock paying District Office expenses (Id. at 1246). Representative Diggs recalled communicating directly with Matlock after Ms. Stultz's resignation, and he confirmed that Matlock continued to pay Representative Diggs' District Office expenses during that period, but denied that he instructed Matlock on which bills to pay (Id. at 1253-54).

Mr. Ofield Dukes

1. Jean Stultz testified under oath substantially as follows:

Mr. Ofield Dukes' starting salary on Representative Diggs' staff was $12,000 per year (Id. at 250). His salary was increased by Representative Diggs to allow him to pay certain bills of Representative Diggs, including bills to the House Recording Studio, the Michigan Chronicle, and radio station WJLB (Id. at 251).

2. Ofield Dukes testified under oath substantially as follows:

Mr. Dukes joined Representative Diggs' staff in the spring of 1973 at a salary of $12,000 per year (Id. at 551). His responsibilities included development of all program activities as well as more general legislative functions.

Mr. Dukes on occasion personally paid expenses incurred in the performance of his staff duties and was reimbursed by increases in his salary (Id. at 556).

Among expenses which Dukes paid and for which he was reimbursed with salary increases were the following:

(1) Photographic services expenses relevant to a 1973 Congressional Black Caucus dinner (Id. at 556);

(2) Travel expenses for a trip to the National Black Assembly (Id.);

(3) Outstanding bills from the Michigan Chronicle (Id. at 557-65; Govt. Exh. 56-A, B and C);

(4) $224 WJLB bill (Id. at 570–71; Govt. Exh. 60).

In 1975, Dukes' total salary for his employment on Representative Diggs' staff was $21,000 per year, of which he considered $12,000 to be his true salary (Id. at 577).

In February, 1978, Ofield Dukes resigned from the congressional staff of Representative Diggs (Id. at 552).

3. John Lawler, Chief of the Office of Finance, testified under oath substantially as follows:

Mr. Lawler identified payroll authorization forms signed by Representative Diggs affecting changes in the salary of Ofield Dukes (Id. at 44–45; Govt. Exh. 10–A—10–P) and the Treasury checks paid in accordance with those payroll authorizations from April, 1973, through December, 1977 (Id. at 45–47; Govt. Exh. 11, 12A–12R).

4. Representative Charles Diggs testified under oath substantially as follows:

Representative Diggs hired Ofield Dukes as Director of Special Projects (Id. at 1109). Dukes was regularly reimbursed for expenses he incurred with salary increases (Id. at 1110, 1234). Representative Diggs was aware of the fact that Ms. Stultz, and Messrs. Matlock, and Dukes paid some of his office expenses with their salaries (Id. at 1234).

Ms. Jeralee Richmond

1. Jean Stultz testified under oath substantially as follows:

Ms. Stultz first had contact with Jeralee Richmond in 1974, at which time she understood Richmond to be an employee of the House of Diggs Funeral Home (Id. at 300–01). Ms. Stultz's initial contacts with Ms. Richmond "regarded whatever was happening at the House of Diggs because there was no Congressional work that she was doing, to my knowledge" (Id. at 301).

Ms. Stultz identified payroll authorization forms, signed by Representative Diggs (Id. at 312–16), affecting Jeralee Richmond's salary from July 1, 1974, when Ms. Richmond was first added to the payroll (Id. at 303; Govt. Exh. 13–A—13–G). Shortly after Ms. Richmond was added to the payroll, her salary was increased at Representative Diggs' direction, to reimburse her for back pay (Id. at 304).

2. Jeralee Richmond testified under oath substantially as follows:

Previously an employee of the House of Diggs and of Diggs Enterprises, Jeralee Richmond in May, 1974, contacted Representative Diggs by telephone seeking employment (Id. at 654–55). Within a week of that phone conversation, Ms. Richmond met with Representative Diggs and Mrs. Juanita Diggs in Detroit, where they discussed the needs of the House of Diggs Funeral Home (Id. at 656). At the end of that meeting, she was hired to work at the House of Diggs and was told by Representative Diggs that she would be paid from his Congressional payroll (Id. at 657). She also understood that, as in her previous employment at the House of Diggs, providing constituency services was part of the job (Id. at 666).

Ms. Richmond began work in May, 1974 (Id. at 657). Her responsibilities included working on the accounts receivable of the House of Diggs as well as handling any constituency problems which were brought to the funeral home (Id. at 658–59).

Between July, 1974, and August, 1976, at which time she began to work full-time at the District Office, approximately 20 percent of Ms. Richmond's time was spent on constituency matters (Id. at 659). During that period Representative Diggs told Ms. Richmond where to work (Id. at 660). She received no salary from the House of Diggs during that period (Id. at 660–61).

Ms. Richmond's salary was paid by U.S. Treasury checks, which she identified (Id. at 661–63 and 149; Govt. Exh. 15–A—15–M).

Some time after January, 1976, Ms. Richmond began to spend one day per week working at Representative Diggs' District Office (Id. at 671). In August, 1976, she began working full-time at the District Office (Id. at 672).

3. John Lawler testified under oath substantially as follows:

Mr. Lawler identified payroll authorization forms signed by Representative Diggs affecting the salary of Jeralee Richmond (Id. at 47–48; Govt. Exh. 13–A—13–G) from July 1, 1974, to June 1, 1977. He also verified the issuance of U.S. Treasury checks pursuant to those authorizations (Id. at 49–52; Govt. Exh. 14, 15–A—15–M).

4. Representative Diggs testified under oath substantially as follows:

Representative Diggs hired Jeralee Richmond because he "needed her in two capacities" (Id. at 1072). He needed her "at the funeral home as a bookkeeper to take care of the books and to do in addition to that what has been traditionally done by her in the past: handle constituent services to deal with the people that came into the funeral home seeking resolutions of their living problems and to make herself available for these kinds of services whenever they were needed." (Id.). Ms. Richmond received no salary from the House of Diggs (Id. at 1174). Representative Diggs considered the employment arrangement with Ms. Richmond to be such that she was paid "for her availability to serve my constituents" (Id. at 1175); what she did with the remainder of her time was viewed by Diggs as "not my concern," (Id.). Representative Diggs accepted as accurate Jeralee Richmond's estimate that 20 percent of her time was spent on constituency problems (Id).

Mr. George G. Johnson

1. Jean Stultz testified under oath substantially as follows:

Mr. George Johnson was Representative Diggs' accountant (Id. at 306). Representative Diggs was indebted to Johnson when he directed that Johnson be added to his congressional payroll (Id. at 306–07). Ms. Stultz recalls Representative Diggs saying at the time, "See if I can cut the spill (sic) down" (Id. at 307).

Johnson's salary fluctuated monthly, depending on projections of Representative Diggs' bills and other employee's salaries (Id.). He was on the staff payroll from July 1, 1973, to December of 1974 (Id. at 308).

Ms. Stultz was aware of no legislative duties performed by Johnson while he was on the payroll (Id. at 308). Johnson was terminated at his own request (Id. at 309).

2. George Johnson testified under oath substantially as follows:

Mr. George Johnson, a C.P.A., had provided professional accounting services to Representative Diggs and to the House of Diggs since 1971 (Id. at 681–82).

In the spring of 1973, when the accounts of Representative Diggs and the House of Diggs were in arrears in the amount of $2,000–$10,000 (Id. at 682), Johnson and Representative Diggs discussed the outstanding bills (Id. at 684), and the possibility of Johnson's joining Representative Diggs' staff (Id). Johnson was added to the staff on July 1, 1973 (Id. at 685).

Mr. Johnson identified payroll checks which be began receiving in July, 1973 (Id.; Govt. Exh. 18–A—18–H). Although at times the lack of financial or accounting work as to congressional matters being assigned Johnson was discussed by Representative Diggs and Johnson, none was forthcoming (Id. at 686).

Mr. Johnson's salary was not stable during this period, but fluctuated from a low of about $130 to a high of approximately $2,700 (gross) per month (Id. at 687).

During this same period, Johnson continued to provide accounting services to the House of Diggs, the value of which exceeded the congressional salary he was receiving (Id.). When he brought that fact to the attention of Representative Diggs, his next monthly check "went up" (Id. at 688).

Mr. Johnson eventually began to credit his congressional salary to the House of Diggs account (Id. at 689).

At times, Johnson discussed with Representative Diggs problems such as minority development (Id. at 691), the Inner City Business Improvement Forum (Id. at 692), black opportunity with respect to the Renaissance Center (Id. at 693), and the policies of the Small Business Administration (Id. at 695).

Although Johnson was crediting his salary to the House of Diggs account, he submitted a bill for $2,400 to Representative Diggs for preparation of Representative Diggs' personal tax returns in 1972 and 1973, and preliminary work for Representative Diggs in 1974 (Id. at 700). When this amount was not paid, Johnson filed suit against Representative Diggs (Id. at 703).

Mr. Johnson at one time declined an invitation to be included in a newspaper picture of Representatives Diggs' staff (Id. at 705).

3. John Lawler testified under oath substantially as follows:

Mr. Lawler identified the payroll authorization forms signed by Representative Diggs affecting Johnson's salary (Id. at 52: Gov't. Exh. 16–A–16–T7) and verified the issuance of U.S. Treasury checks pursuant to those authorizations (Id. at 53–56: Govt. Exh. 17, 18–A—18–H).

4. Representative Diggs testified substantially as follows:

Representative Diggs hired George G. Johnson to draw upon his knowledge and expertise with respect to black economic development projects (Id. at 1078) and met with him regularly on these as well as personal matters (Id. at 1079). Representative Diggs never directed George Johnson to credit his salary to Representative Diggs' personal account (Id. at 1080) and continued to receive bills from Johnson for personal tax services after Johnson was added to the payroll (Id. at 1081–82).

Representative Diggs did not mention to Ms. Stultz that putting Johnson on the payroll might reduce his bill from Johnson (Id. at 1154).

Representative Diggs conceded Johnson's congressional salary fluctuated monthly, depending on the availability of funds each month (Id. at 1162).

Appendix F to this Report contains summary exhibits relevant to the pay status of each of the employees involved in the bill-paying operation, as well as charts reflecting the use of some of the diverted funds.

B. REPRESENTATIVE DIGGS' LETTER TO THE COMMITTEE, DATED JUNE 27, 1979

The following letter from Representative Diggs was presented to the Committee in open session on June 29, 1979:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
June 27, 1979.

DEAR MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT: After further consideration of the charges brought against me by this Committee, and in the interest of settling and disposing of these charges without a protracted and costly hearing, I wish to make the following representations to the Committee:

I admit that I am guilty of violating House Rule XLIII, Clauses 1 and 8, by misusing my clerk-hire allowance, in that I knowingly authorized increases in the salary of Ms. Jean Stultz during her employment on my staff in order to enable her to pay certain of my personal expenses. Through this misuse of my clerk-hire funds, I was unjustly enriched to the extent of $11,646.64.

In the employment of Ms. Jeralee Richmond from July, 1974, through August, 1976, I did not intentionally violate any House Rule or regulation. I acknowledge, however, that I personally benefitted from the services of Ms. Richmond to the extent of $12.015.30.

In the employment of Mr. George Johnson from July, 1973, through December, 1974, I did not intentionally violate any House Rule or regulation. I acknowledge, however, that I personally benefitted from the services of Mr. Johnson to the extent of $15.615.04.

In June and July, 1976, my employee Mr. Felix Matlock paid certain of my personal expenses, totaling $194.68. In December, 1975, my employee Mr. Ofield Dukes paid a personal expense of mine of $560.00. Mr. Matlock and Mr. Dukes were reimbursed for these expenditures by salary increases authorized by me. I admit that I was personally enriched by these transactions to the extent of $754.68.

I recognize that it is within the power of this Committee to conduct a hearing, and that if found guilty, I may be subject to any of the remedies available to the Committee as prescribed by its Rules of Procedure. I wish to state at this time that should the Committee accept this statement in lieu of a trial, I shall accept a Committee recommendation to the House of Representatives of the penalty of censure.

In an effort to make restitution for the personal benefit I received from the matters just discussed, I agree to repay the amount of $40,031.66 to the House. I would ask only that the Committee bear in mind my financial condition in its determination of a proper method and schedule for repayment.

In order to insure, during the remainder of the Ninety-Sixth Congress, that there is no further question about the use of my clerk-hire allowance, I will have each of my employees certify that the funds he or she receives from clerk-hire funds are received in full compliance with current House Rules.

Finally, I apologize to my colleagues for the discredit I have brought to the House by my conduct. I sincerely regret the errors in judgment which led to this proceeding.

Very truly yours,

CHARLES C. DIGGS, Jr.
Member of Congress.

PART VI.—RECOMMENDATION

After the Committee ordered a disciplinary hearing, but before the date set for the commencement thereof, Special Counsel for the Committee and counsel for the Member engaged in discussions which led to the Committee's recommended disposition of the proceeding.

The discussions between counsel culminated in an agreement by Representative Diggs, (1) to admit guilt and unjust enrichment with respect to certain violations of House rules, (2) to admit that he had been unjustly enriched, without admitting guilt, from the employment of some members of his staff, (3) to make restitution of amounts which he personally had unjustly received, (4) to apologize to the House for his wrongdoing, and (5) to accept censure therefor. The agreement was formally proposed to the Committee in open session by his counsel, who, in the presence of Representative Diggs, read the letter addressed to the Committee and signed by Representative Diggs appearing, supra, p. 16.

Special Counsel recommended that the Statement of Alleged Violations be withdrawn, that Representative Diggs' letter of admissions be accepted, that Representative Diggs be found guilty of violating Rule XLIII Clauses 1 and 8, on the basis of his admissions, and that the Committee recommend to the House that Representative Diggs be censured and he be required to make restitution by execution of an interest-bearing demand promissory note for the full amount of his personal benefit from the misuse of clerk-hire funds.

The recommendations from the Special Counsel to the Committee were accepted and Representative Hamilton moved the following resolution, which was unanimously adopted:

> Whereas, Representative Charles C. Diggs, Jr., has admitted that he is guilty of violating House Rule XLIII, Clauses 1 and 8, by misusing his clerk-hire allowance, in that he knowingly authorized increases in the salary of Ms. Jean Stultz during her employment on his staff in order to enable her to pay certain of his personal expenses, and that through this misuse of his clerk-hire funds, he was unjustly enriched to the extent of $11,646.64; and
>
> Whereas, Representative Charles C. Diggs, Jr., has stated that in the employment of Ms. Jeralee Richmond from July, 1974, through August, 1976, he did not intentionally violate

any House Rule or regulation, he has acknowledged that he personally benefitted from the services of Ms. Richmond to the extent of $12,015.30; and

Whereas, Representative Charles C. Diggs, Jr., has stated that in the employment of Mr. George Johnson from July, 1973, through December, 1974, he did not intentionally violate any House Rule or regulation, he has acknowledged that he personally benefitted from the services of Mr. Johnson to the extent of $15,615.04; and

Whereas, Representative Charles C. Diggs, Jr., has stated that in June and July, 1976, his employee, Mr. Felix Matlock, paid certain of his personal expenses, totaling $194.68, and in December, 1975, his employee, Mr. Ofield Dukes, paid a personal expense of his of $560.00, for which expenditures they were reimbursed by salary increases authorized by him; and has admitted that he was personally enriched by these transactions to the extent of $754.68; and

Whereas, Representative Charles C. Diggs, Jr., has stated that should the Committee accept his admissions of the above described conduct in lieu of a trial, he shall accept a Committee recommendation to the House of Representatives of the penalty of censure; and

Whereas, Representative Charles C. Diggs, Jr., has agreed to repay the amount of $40,031.66 to the House for the personal benefit he received from the above described conduct; and

Whereas, Representative Charles C. Diggs, Jr., has stated that during the remainder of the Ninety-Sixth Congress, he will have each of his employees certify that the funds he or she receives from clerk-hire funds are received in full compliance with current House Rules; and

Whereas, Representative Charles C. Diggs, Jr., has apologized to the House for the discredit he has brought to the House by his conduct: Now, therefore, be it

Resolved:

(1) That Representative Charles C. Diggs, Jr., is found to have violated House Rule XLIII, Clauses 1 and 8, by misusing his clerk-hire allowance, in that he knowingly authorized increases in the salary of Ms. Jean Stultz during her employment on his staff in order to enable her to pay certain of his personal expenses, and he was unjustly enriched by this misuse of his clerk-hire funds to the extend of $11,646.64;

(2) That Representative Charles C. Diggs, Jr., personally benefitted from the employment of Ms. Jeralee Richmond and Mr. George Johnson;

(3) That Representative Charles C. Diggs, Jr., was personally enriched by the payment of certain of his personal expenses by two of his employees, Mr. Felix Matlock and Mr. Ofield Dukes;

(4) That it be recommended to the House of Representatives that Representative Charles C. Diggs, Jr., be censured by the House of Representatives for the above described conduct;

(5) That it be recommended to the House of Representatives that during the remainder of the Ninety-Sixth Congress employees of Representative Charles C. Diggs, Jr., certify to this Committee by affirmation that the funds he or she receives from clerk-hire funds are received in full compliance with current House Rules;

(6) That it be recommended to the House of Representatives that the offer of Representative Charles C. Diggs, Jr., to make restitution be accepted, provided that Representative Diggs executes and delivers to the House a demand promissory note committing him to pay $40,031.66 with interest equal to that assessed by the Internal Revenue Service on underpayments or assessments of personal income taxes;

(7) That a report be prepared of the Committee's proceedings and findings, which will include a summary of the testimonial portions of the transcript of the federal court trial of Representative Charles C. Diggs, Jr., and exhibits admitted into evidence, in support of the Committee recommendation of censure of Representative Charles C. Diggs, Jr., and it be submitted to the House of Representatives.

An explanation of how Representative Hamilton's resolution relates to the charges of misuse of the Member's clerk-hire contained in the Statement of Alleged Violations is appropriate. The charges alleged the inflation of staff salaries for three different purposes. First, to pay clearly identifiable personal expenses of the Member. Second, to pay expenses related to the Member's official duties but which exceeded the allowances otherwise provided therefor. The third category involved compensation of staff for services rendered for the personal benefit of the Member, e.g., Ms. Jeralee Richmond, who, while rendering some legitimate staff duties, devoted the majority of her time to the affairs of the Member's funeral home; and Mr. George Johnson, who rendered accounting services to the Member personally and to the funeral home.

Representative Diggs has admitted his guilt with respect to the first category, and without admitting guilt to the third category has admitted that he personally benefitted and was unjustly enriched as the result of the use of his clerk-hire allowance for the purposes therein described. Regarding his second category, office related expenses, Representative Diggs maintains that his use of clerk-hire funds for such purposes was not in violation of any House rules.

It should be clearly understood that, in adopting Representative Hamilton's resolution, the Committee was seeking a fair, just and sensible disposition of the proceeding, consistent with the responsibility of the House in the enforcement of its rules. The Committee believes the resolution does just that. Its action in unanimously approving the resolution, however, should not be interpreted as an expression of opinion concerning the legality under either House rules or federal law of any of the actions described in the Statement of Alleged Violations concerning which Representative Diggs has not admitted guilt. Moreover, adoption of the recommendation is not intended in any way to influence the outcome of the criminal proceedings that remain pending against the Member, or of any civil action which might be commenced with respect thereto.

In determining the punishment of censure, which the Committee has recommended for the Member, various factors were considered. In granting each House the power to punish members "for disorderly behaviour," Article I, Section 5, specifically enumerates only the sanction of expulsion as a form of punishment. The framers of the Constitution recognized the severity of that sanction by requiring a two-thirds vote before it could be imposed. The Committee has previously observed that expulsion has been voted only three times, all occurring during the Civil War when Members left the House to join the Confederacy.

Next to expulsion, the precedents reveal that censure is the most severe form of legislative punishment. This sanction has been voted in the House only once during this century.[20] Forms of punishment deemed less severe than censure, e.g., reprimand or fine, have occasionally been imposed.

In recommending the censure of Representative Diggs, the Committee considered his admission of guilt of serious offenses against the House rules, his apology to the House therefor, his agreement to make restitution of substantial amounts by which he was unjustly enriched, and the nature of the offenses charged.

Accordingly, the Committee recommends that the House adopt a resolution in the following form:

HOUSE RESOLUTION

Resolved:

(1) That Representative Charles C. Diggs, Jr. be censured;

(2) That Representative Charles C. Diggs, Jr. forthwith present himself in the well of the House for the pronouncement of censure;

(3) That Representative Charles C. Diggs, Jr. be censured with the public reading of this resolution by the Speaker;

(4) That Representative Charles C. Diggs, Jr. is ordered to execute and deliver to the House an interest-bearing demand promissory note for $40,031.66, made payable to the Treasury of the United States;

(5) That Representative Charles C. Diggs, Jr. is ordered, for the remainder of the 96th Congress, to require his employees to certify to the Committee on Standards of Official Conduct that the funds he or she receives from check-hire funds are received in full compliance with current House Rules; and

(6) That the House of Representatives adopt the Report of the Committee on Standards of Official Conduct dated July 19, 1979, In the Matter of Representative Charles C. Diggs, Jr.

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[20] Representative Thomas Blanton was censured in 1921 for use of "grossly indecent and obscene language."

EXHIBIT NO. 47

96TH CONGRESS
1st Session

SENATE

REPORT
No. 96-40

INITIAL REVIEW OF SENATOR EDWARD W. BROOKE OF MASSACHUSETTS

REPORT

OF THE

SELECT COMMITTEE ON ETHICS UNITED STATES SENATE

MARCH 21 (legislative day, FEBRUARY 22), 1979.—Ordered to be printed

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BROOKE INQUIRY STAFF

J. DOUGLAS McCULLOUGH, *Counsel*
DONNA A. McCLAFFERTY, *Staff Assistant*
KENNETH J. GEORGE, *Auditor*

CONTENTS

Page
Resolution v
Introduction 1
The Rules Relevant to the Initial Review 1
Scope and Methodology of the Initial Review 2
Summary of Matters Investigated 3
  I. A. Raymond Tye Loan 3
  II. Knowledge of Improper Medicaid Assistance 3
  III. Reporting Violations 3
    A. Brild, N.V 3
    B. Watergate Apartment No. 2 4
    C. Perini Corporation 4
    D. Rem-Win Corporation 4
    E. International Investors (Norman Cohen Loan) 5
  IV. Reduction in Medical Fees 5
  V. Tax Exemption for Dependents 5
Appendixes:
  Appendix A: Chronology of Documents Received 6
  Appendix B: List of Persons Interviewed 13
  Appendix C: Financial Schedules and Summaries 14

RESOLUTION

CONCLUSION OF INITIAL REVIEW

Whereas, the Select Committee on Ethics has conducted an initial review of allegations concerning the conduct of former Senator Edward W. Brooke of Massachusetts; and

Whereas, the Committee has received from Counsel a confidential report including findings and recommendations on this initial review as required by the Committee's Rules of Procedure: It is hereby

Resolved by the Select Committee on Ethics that:

(1) The Committee will file its Report containing findings and conclusions with the Senate;

(2) No investigation, pursuant to the Committee's Rules of Procedure, is required as Edward W. Brooke is no longer a Member of the Senate, and the Committee does not believe the violations mentioned in its Report are sufficiently serious to justify the severe disciplinary actions specified in Senate Resolution 338, as amended (for a Member, censure, expulsion or recommendation to the appropriate party conference regarding seniority or positions of responsibility);

(3) There is credible evidence which provides cause to conclude that violations within the jurisdiction of the Committee have occurred.

Introduction

As a result of disparities between the financial statements submitted by Senator Brooke in his Massachusetts divorce proceedings and in the Public Financial Disclosure Statment which he filed with the Secretary of the Senate on May 15, 1978, the chairman and vice chairman of the Select Committee on Ethics authorized a preliminary inquiry pursuant to rule 3 of the Committee's Rules of Procedure. As part of the preliminary inquiry, staff attended public hearings on June 7–8, 1978 in the Brooke divorce litigation.

At the hearings Senator Brooke acknowledged misstatements in his divorce deposition of May 12, 1977. A report of the preliminary inquiry was made to the Committee on June 8, 1978, and on that date an initial review was authorized by the Committee in accordance with rule 4 of the Committee's Rules of Procedure.

This report discusses the applicable Senate rules or Federal statutes, as well as the allegations which caused the initial review to be conducted.

The Rules Relevant to the Initial Review

Old Senate Rule 44, effective from July, 1968 to December 31, 1977,[1] provides that each Senator shall file an annaul report listing all gifts having an aggregate value of $50 or more received from a single source; all interests in real or personal property having a value of $10,000 or more which he owned or had a beneficial interest in at any time during the prior year; all liabilities of $5,000 or more; the name and address of each business or professional corporation, firm or enterprise in which he was an officer, director, partner, proprietor or employee who received compensation during the preceding year and the amount of such compensation.

Senate Resolution 110, agreed to April 1, 1977 (as modified by Senate Resolution 265), amended the Senate rules by striking old rules 41 through 45 and substituting new rules. New rule 42 (effective January 1, 1978) requires the reporting individual to report gifts aggregating $100 from a single source, although gifts of less than $35 need not be aggregated; liabilities in excess of $2,500 (except those owed to relatives); any interest in real or personal property where the value of the property exceeds $1,000 (the personal property reported must also be held for investment purposes); as well as the identity of any nongovernmental positions held including those of a corporate director, officer or partner.

Reports filed pursuant to old rule 44 were filed annually on a confidential basis with the Comptroller General, while new rule 42 requires reports to be publicly filed with the Secretary of the Senate. Both rules also require that a copy of the reporting individual's Federal income tax return for the preceding year be filed on a confidential basis with the Comptroller General.

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[1] This initial review covers the years 1970 through 1977.

In addition to these rules, the Senate has the right to discipline a member whose conduct brings discredit upon the Senate. This is expressly recognized by the resolution that created the Ethics Committee, wherein it is stated that:

> It shall be the duty of the Select Committee to—(1) receive complaints and investigate allegations of improper conduct which may reflect upon the Senate, violations of law, violations of the Senate Code of Official Conduct and violations of rules and regulations of the Senate, relating to the conduct of individuals in the performance of their duties as Members of the Senate, or as officers or employees of the Senate, and to make appropriate findings of fact and conclusions with respect thereto;

Certain statutes are also applicable with respect to allegations considered herein, notably the Massachusetts perjury statute (G.L. c.268[1]) and federal statutes pertaining to false statements and various provisions of the Internal Revenue Code.

SCOPE AND METHODOLOGY OF THE INITIAL REVIEW

The scope of the initial review was outlined in a letter from Chairman Stevenson to Senator Brooke dated June 9, 1978. The initial review, as described, covered potential violations of old Senate rule 44 and of new rule 42 (Financial Disclosure), as well as allegations of improper conduct reflecting discredit upon the Senate. The particulars of the inquiry were made known by special counsel to the Senator's counsel (Charles H. Morin, Esq., and William Barry Levine, Esq., of Dickstein, Shapiro & Morin) in a letter dated June 21, 1978; wherein, special counsel requested certain documents required to properly conduct the initial review. Counsel for Senator Brooke vigorously resisted this discovery demand and appeared before the committee on June 29 and July 31, 1978 to state their objections to the scope of the initial review and the committee's request for documents. On each occasion the committee reaffirmed special counsel's request delineating the scope of the initial review.

Once the committee had reaffirmed the scope of the initial review and overruled the objections made by counsel for Senator Brooke, additional documents were made available by Senator Brooke. Some of these documents were delivered directly by counsel for the Senator; while in other instances, the Senator waived whatever privileges he might have enjoyed so that documents could be provided by his attorneys, stockbroker, accountants and tax return preparers. The committee also authorized the staff to utilize the Confidential Disclosure Statements and copies of tax returns filed with the Comptroller General pursuant to old Senate rule 44 and new rule 42.

On October 17, 1978, committee staff requested and obtained additional records.

As material was compiled, it became necessary to take statements of witnesses. The necessity for interviewing some persons was obviated by consulting depositions previously given during the divorce litigation. However, many persons involved in financial transactions with Senator Brooke (who were deposed during the divorce) had to be reinterviewed by the staff as the focus of the initial review was different from that of the divorce.

SUMMARY OF MATTERS INVESTIGATED

The Select Committee on Ethics is charged by the Rules of the Senate with the monitoring of public financial disclosures by members and certain Senate staff employees. As a result of disparities between the Public Financial Disclosure Statement of May 15, 1978 filed by former Senator Edward W. Brooke of Massachusetts and financial statements submitted as part of earlier divorce proceedings and certain other allegations of misconduct, the Select Committee conducted an initial review of those disparities and allegations.

The specific items included in the scope of the initial review and the committee's conclusions relative to those items are as follows:

I. A. Raymond Tye Loan
II. Knowledge of Improper Medicaid Assistance
III. Reporting Violations
IV. Reduction in Medical Fees
V. Tax Exemptions for Dependents

I. A. RAYMOND TYE LOAN

In a deposition given on May 12, 1977, Senator Brooke testified under oath that he owed Mr. A. Raymond Tye the sum of $49,000. In his Public Financial Disclosure Statement filed on May 15, 1978, Senator Brooke did not report the loan from Mr. Tye as it was in the sum of $2,000.

Conclusion

Senator Brooke's Public Financial Disclosure Statement relative to the A. Raymond Tye loan was substantially correct; however, the giving of false testimony under oath by a U.S. Senator is improper conduct which reflects unfavorably on the U.S. Senate.

II. KNOWLEDGE OF IMPROPER MEDICAID ASSISTANCE

Press accounts alleged that Senator Brooke was aware of the improper receipt of medicaid assistance by his mother-in-law, Mrs. Teresa Ferrari-Scacco, and may have voted in the Senate to liberalize medicaid benefits for family advantages.

Conclusion

On the basis of the evidence obtained, it does not appear that Senator Brooke personally knew his mother-in-law was a recipient of medicaid assistance and did not act improperly in casting his votes in the Senate relative to medicaid.

III. REPORTING VIOLATIONS

Senator Brooke failed to report on his Confidential Senate Disclosure Statements numerous items which were required to be reported pursuant to old Senate rule 44, although many of the omitted items were published by the Senate in the Congressional Record. Most of these omissions were due to the careless fashion in which the reports were prepared.

A. BRILD, N.V.

In 1970, Brild, N.V., a corporation chartered in St. Maartens in the Dutch West Indies, was owned by Senator Brooke and a Mr. Monroe

H. Feld. The corporation was formed for the purpose of purchasing some property in Phillipsburg, St. Maartens. This property and the Senator's stock in the company was sold in 1971 with Senator Brooke receiving a profit of $4,154.39.

Conclusion

Senator Brooke failed to report that he owned the Brild stock on his 1970 and 1971 Confidential Disclosure Statements, nor did he report that he had guaranteed a loan from the Bank of Nova Scotia for $32,500.

Senator Brooke stated that this omission was due to carelessness in the preparation of his reports and acknowledged the transaction should have been reported.

B. WATERGATE APARTMENT NO. 2

Senator Brooke assisted his mother during the course of her purchase of an apartment in the Watergate East Complex in Washington, D.C. The Senator is listed on the Assignment and Assumption Agreement as a "joint tenant with right of survivorship". Senator Brooke, through counsel, expressed the view that this was merely an inchoate future interest; and thus, not reportable.

Conclusion

The Senator provided neither the purchase money nor any subsequent mortgage payments, all the cost was borne by his mother.

The Committee is of the opinion, however, that a joint tenancy, which is a present property interest, was created and should been have reported; see e.g., 20 Am. Jur. 2d *Cotenancy and Joint Ownership* § 6 (1965); 4A *The Law of Real Property* (1977).

C. PERINI CORPORATION

Senator Brooke had a fireplace and other construction work performed on his Martha's Vineyard, Mass., summer home in 1974 for $8,000. Senator Brooke stated that the work performed by the subcontractor Perini hired to install the fireplace was unsatisfactory; and thus, the bill was in dispute.

Conclusion

Since the liability incurred exceeded $5,000, it should have been reported pursuant to old Senate rule 44.

D. REM-WIN CORP.

Senator Brooke listed on his Confidential Senate Disclosure Statements the fact that he was a director of Rem-Win Corp. (a corporation chartered in the Dutch West Indies which holds approximately 30 acres of undeveloped land). In 1974 Senator Brooke did disclose in the Congressional Record his ownership of 3,690 shares of Rem-Win stock. On his Public Financial Disclosure Statement he listed as an asset his ownership of a 39 percent interest in Rem-Win Corp.

Conclusion

Since Senator Brooke publicly disclosed his proportional ownership of Rem-Win Corp. in 1974, it does not appear that he deliberately falsified Confidential Disclosure Reports.

E. INTERNATIONAL INVESTORS (NORMAN COHEN LOAN)

One purpose of the initial review was to attempt to determine whether Senator Brooke had received a loan of $27,500 from Mr. Norman Cohen of Toronto, Canada, or whether a deposit of that amount on October 4, 1972 was a return of capital in a venture known as international investors. This deposit was also described as a loan on a financial statement submitted during the divorce proceeding.

Conclusion

The true character of this transaction cannot be determined so no opinion can be expressed as to the accuracy of Senator Brooke's Confidential Disclosure Statements with respect to the International Investors venture. Whether this represented a loan or business asset, by failing to properly report this Senator Brooke was in neglect of his duty as a U.S. Senator.

IV. REDUCTION IN MEDICAL FEES

Allegations were made in the press that Senator Brooke had used his position as a U.S. Senator to obtain a reduction in medical fees while the Senator was settling his mother-in-law's lawsuit.

Conclusion

No evidence was discovered that Senator Brooke improperly used his position as a U.S. Senator to obtain the reduced medical bills on behalf of his mother-in-law.

V. TAX EXEMPTION FOR DEPENDENTS

Various allegations were made that Senator Brooke had improperly claimed his daughters as exemptions on his Federal income tax returns from 1971 through 1975. Senator Brooke had substantial expenditures on their behalf in every year except in 1975. In 1975 the Senator had no specific items attributable to Remi Brooke although she was a member of his household for that year and the Senator provided her with housing, food, and other ordinary living expenses.

Conclusion

The record supports Senator Brooke's position that he properly claimed his daughters as income tax exemptions during the years 1971 through 1975.

We approve the submission to the Senate of the Report of the Select Committee on Ethics concerning its Initial Review of Former Senator Edward W. Brooke of Massachusetts.

ADLAI E. STEVENSON,
Chairman.
HARRISON H. SCHMITT,
Vice Chairman.
ROBERT MORGAN.
JOHN TOWER.
CHARLES McC. MATHIAS.

APPENDIX A

CHRONOLOGY OF DOCUMENTS RECEIVED IN BROOKE INITIAL REVIEW

Date received	Subject	Number
May 31, 1978	Request from Senator Brooke to Senator Stevenson (AES) with copy to Senator Schmitt (HS).	0 0A
June 26, 1978	Morin letter to AES, etc. of June 23, 1978 With Brooke response	1 1A
June 28, 1978	Morin letter to Wertheimer (W.) of June 28, 1978 Copy of same to AES	2 2A
July 5, 1978	Letter from Arthur Schatz of June 30, 1978	3
Do	Letter from Dr. Caplan of June 30, 1978 with five attachments.	4
July 6, 1978	Letter from Dr. Rizzo of July 2, 1978	5
July 7, 1978	Letter from Massachusetts Department of Public Welfare of July 3, 1978 with two attachments.	5½
July 10, 1978	Letter from New England Baptist Hospital of July 7, 1978 with three attachments.	6
July 13, 1978	Letter from Arthur Schatz of July 10, 1978 with four attachments.	7
July 14, 1978	Letter from Mr. Hestnes of July 5, 1978 with checks regarding Raymond Tye.	8
Aug. 22, 1978	Hestnes letter to W. of Aug. 15, 1978	8A
July 20, 1978	Letter from Bon Secours Hospital of July 20, 1978	9
July 24, 1978	Letter to W. from Wm. Barry Levine of July 21, 1978.	10
Do	Complaint for declaratory judgement in *Brooke* v. *Alexander E. Sharp* (Middlesex Probate Court No. 3866), including exhibits A through H.	11
Do	Deposition of Edward W. Brooke taken on Oct. 29, 1976 at the offices of Crane & Inker, in connection with *Brooke* v. *Brooke*.	12
Do	Resumed deposition of Edward W. Brooke, on May 9, 1977 in the offices of Crane & Inker, in connection with *Brooke* v. *Brooke*.	13
Do	Continued deposition of Edward W. Brooke on May 12, 1977, at the offices of Crane & Inker, in connection with *Brooke* v. *Brooke*.	14
Do	Deposition of Remigia Brooke, on May 10, 1977, at the offices of McGrath & Benjoya, in connection with *Brooke* v. *Brooke*.	15
Do	Continued deposition of Remigia Brooke on May 12, 1977, at the offices of Crane & Inker in connection with *Brooke* v. *Brooke*.	16
Do	Deposition of Carol Connelly, at the offices of Crane & Inker, on Nov. 24, 1976, in connection with *Brooke* v. *Brooke*.	17
Do	Deposition of Sheila Louise Crowley, on May 9, 1977, at the offices of Crane & Inker, in connection with *Brooke* v. *Brooke*.	18
Do	Transcript of proceedings before Judge Perera, on May 16, 1977, in the case of *Brooke* v. *Brooke*.	19
Do	Transcript of proceedings before Judge Perera on Nov. 23, 1977, in the case of *Brooke* v. *Brooke*.	20
Do	Transcript of proceedings in Probate Court in *Brooke* v. *Brooke* of Jan. 9, 1978.	21

Date received	Subject	Number
July 24, 1978	Transcript of hearing before Judge Perera, in *Brooke* v. *Brooke* on June 7, 1978.	22
Do	Transcript of hearing before Judge Perera, in *Brooke* v. *Brooke* on June 8, 1978.	23
Do	Package of material labeled "Brooke Pleadings, Volume I, June 4, 1976 through Apr. 7, 1978" relating to the case of *Brooke* v. *Brooke*.	24
Do	Package of material labeled "Brooke Pleadings, Volume II, May 1, 1978 to Date" with respect to *Brooke* v. *Brooke*.	25
Do	Federal Gift Tax Return for Teresa Ferrari-Scacco, dated April 1974.	26
Do	Financial Statement of Edward W. Brooke in the case of *Brooke* v. *Brooke* dated Sept. 15, 1976.	27
Do	Financial Statement of Edward W. Brooke in the case of *Brooke* v. *Brooke*, dated Mar. 11, 1977.	28
Do	Financial Statement of Edward W. Brooke in the case of *Brooke* v. *Brooke*, dated May 16, 1977.	29
Do	Financial Statement of Edward W. Brooke dated June 7, 1978.	30
Do	"Personal Statement" to Commonwealth National Bank, dated Sept. 15, 1969 and signed by Edward W. Brooke.	31
Do	"Personal Statement" to Commonwealth Bank & Trust Co., dated Jan. 20, 1971 and signed by Edward W. Brooke.	32
Do	"Personal Statement" to Commonwealth National Bank, dated May 17, 1972 and signed by Edward W. Brooke.	33
Do	"Personal Statement" to Commonwealth Bank & Trust Co., dated July 31, 1973 and signed by Edward W. Brooke.	34
Do	Three page "Financial Statement of Edward W. Brooke" with handwritten notification that "Filed with Comm. Nat'l" and a further handwritten note "1974".	35
Do	Package of trial exhibits from June 7 and 8, 1978 in *Brooke* v. *Brooke*.	36
Do	Letter to Senator Edward W. Brooke from Augustus J. Camelio, Attorney at Law, dated Aug. 30, 1971.	37
Do	Letter to Mr. Jacob J. Goldman, from Senator Edward W. Brooke, dated Dec. 10, 1971, enclosing the following: Dec. 7, 1971 letter to Senator Brooke from Jacob Goldman; Nov. 1, 1971 letter to Senator Brooke from Augustus Camelio; and Oct. 28, 1971 letter to Augustus Camelio from Jacob Goldman.	38
Do	Letter to Senator Brooke, dated Dec. 15, 1971 from Jacob Goldman of Schatz & Schatz.	39
Do	Letter to Senator Brooke, dated Jan. 24, 1972 from Arthur Schatz, of Schatz & Schatz with enclosed settlement sheet.	40
Do	Letter to Arthur Schatz, dated Feb. 4, 1972 from Edward Brooke.	41
Do	Letter to Senator Brooke, dated Jan. 28, 1972 from Arthur Schatz, of Schatz & Schatz, enclosing a letter to Mr. Augustus Camelio of Jan. 28, 1972.	42

CHRONOLOGY OF DOCUMENTS RECEIVED IN BROOKE INITIAL REVIEW—continued

Date received	Subject	Number
July 24, 1978	Letter to Simon Scheff, Esq. dated Feb. 15, 1972 from Arthur Schatz, of Schatz & Schatz.	43
Do	Letter to Senator Brooke, dated Feb. 15, 1972 from Simon Scheff.	44
Do	Letters to Mrs. Mina Jones, Mr. Joseph Ferrari-Scacco and Mrs. Edward Brooke, dated Mar. 6, 1972, from Edward W. Brooke.	45
Do	Letters dated Mar. 6, 1972 from Edward W. Brooke to: Bon Secours Hospital, New England Baptist Hospital, Simon Scheff, Dr. Hubert Caplan, Lahey Clinic Foundation, New England Baptist Hospital and Dr. Michael Gravallese.	46
Do	Letters dated Mar. 7, 1972 from Edward W. Brooke to: Dr. Nicholas Rizzo and Dr. Vincent Perlo.	47
Do	Letter to Edward Brooke, dated Mar. 9, 1972 from Nicholas D. Rizzo.	48
Do	Letter to Senator Edward Brooke, dated Mar. 9, 1972, from Simon Scheff, Attorney for New England Medical Center Hospitals, with two enclosures from the hospital and one letter to Mr. Schatz from Edward W. Brooke, dated Mar. 14, 1972.	49
Do	Letter to Senator Brooke, dated Mar. 14, 1972, from Elinor Kirby, Administrator, New England Baptist Hospital, with enclosure.	50
Do	Letter to Doctor Nicholas D. Rizzo, dated Mar. 15, 1972 from Edward W. Brooke.	51
Do	Letter to Senator Brooke, dated Mar. 20, 1972 from Warren G. Hunt, Director of Patients Accounts, Lahey Clinic Foundation, with enclosure.	52
Do	Letter to Elinor Kirby, Administrator, New England Baptist Hospital, dated Mar. 22, 1972 from Edward W. Brooke.	53
Do	Letter to Mr. Edward W. Brooke, dated Mar. 23, 1972 from Claire M. Pollard, Credit Manager, Bon Secours Hospital, and letter to Claire M. Pollard, dated Apr. 4, 1972 from Edward W. Brooke.	54
Do	Letter to Mr. Joseph Ferrari-Scacco, dated Apr. 6, 1972 from Edward W. Brooke with promissory note dated Apr. 6, 1972 for the sum of $4,000.	55
Do	Letter to Mrs. Edward W. Brooke, dated Apr. 7, 1972 from Edward W. Brooke.	56
Do	Letter to Dr. Hubert Caplan, dated Apr. 7, 1972 from Edward W. Brooke and letter to Edward W. Brooke, dated Mar. 27, 1972 from Dr. Caplan, and letter to Senator Brooke, dated May 2, 1972, from Dr. Caplan, and letter to Dr. Caplan dated May 10, 1972 from Edward W. Brooke.	57
Do	Letter to Spett. le Casa DiCura, dated Sept. 18, 1972, from Edward W. Brooke, with two attached letters to Carlo from Mina and Teresa and Mina.	58
Do	Letter to Remigia (Brooke) dated Sept. 17, 1973 from Edward W. Brooke with enclosed "Teresa Ferrari-Scacco Accounts."	59
Do	Letter to Mina (Jones) dated Dec. 17, 1973 from Edward W. Brooke.	60

Date received	Subject	Number
July 24, 1978	Letter to Senator Brooke, dated Jan. 31, 1974 from Arthur H. Schatz enclosing letter to Arthur Schatz, dated Dec. 31, 1973 from Robert I. Diamond and enclosing a bill dated Apr. 21, 1966 for $250.	61
Do	Two letters to Dr. Diamond from Edward W. Brooke, dated Feb. 20, 1974 and Mar. 6, 1974 and letter to Senator Brooke dated Feb. 28, 1974 from Robert I. Diamond.	62
Do	Letter to Mina (Jones) dated Feb. 10, 1974 from Edward W. Brooke and letter to Germain and Pino, dated Apr. 30, 1974 from Edward W. Brooke.	63
Do	Letter to Senator Brooke dated May 6, 1974 from Hubert E. Tucker.	64
Do	Letter to Pino, dated Sept. 6, 1974 and letter to Mina, dated Sept. 17, 1974 from Edward W. Brooke.	65
Do	"To Whom It May Concern" notice, dated May 9, 1975 from Edward W. Brooke	66
Do	Letter to Robert F. McGrath, dated Dec. 3, 1975 from Stanley Gaffin.	67
Do	Miscellaneous letters from Edward W. Brooke, dated July 26, 1977 expressing thank you to individuals for their sympathy shown in regard to Mrs. Scacco's recent death.	68
Do	Letter to Mr. Carrigg and Mr. Kilbourn, dated Sept. 28, 1977 from Edward W. Brooke with respect to Mrs. Scacco's tombstone and cemetery lot.	69
Do	Three letters from Edward Brooke, dated Dec. 14, 1977 to Remigia, Pino and Mina enclosing a $1,000 Christmas check.	70
Do	Miscellaneous checks drawn on The First National Bank of Boston, submitted in *Brooke* v. *Brooke*, Document No. 113131, Exhibit 2, on June 7, 1978.	71
Do	Handwritten worksheet entitled "Edward W. Brooke, Trust F/B/O Teresa Ferrari-Scacco, Feb. 14, 1974", with attachments.	72
July 26, 1978	Morin letter to W. of July 24, 1978	73
July 28, 1978	Letter from Remi Brooke to W. of July 20, 1978	74
Do	Letter from Ramella, New England Medical Center, of July 26, 1978	75
Aug. 2, 1978	Morin letter to AES of Aug. 1, 1978 with Spiegel Report.	76, 76A
Aug. 4, 1978	Levine letter to W. of July 31, 1978	77
	With divorce agreement	77A
Do	Morin letter to AES of Aug. 2, 1978	78
Do	Morin letter to W. of Aug. 2, 1978	79
Aug. 16, 1978	Morin letters to W. of Aug. 16, 1978, transmitting the following documents:	80 80A
	(1) Ratheon confirmation slips and letter to Morin from Bottomly (2 copies).	81
	(2) Bottomly letter to Levine with Coyle affidavit on dependency exemptions (original and 2 copies).	82
	Morin letter to W. of Aug. 23, 1978 transmitting Bottomly's substitute memorandum on dependency exemptions (former Doc. 82).	82A, 82B

CHRONOLOGY OF DOCUMENTS RECEIVED IN BROOKE INITIAL REVIEW—continued

Date received	Subject	Number
Aug. 16, 1978	Morin letters to W.—Continued	
	(3) Remwin:	
	(a) Brooke affidavit, purchase and sale agreement, articles of organization (original and 1 copy).	83
	(b) Cohen affidavit (original and one copy).	83A
	(c) Cancelled check for $80,000 to Brooke.	83B
	(4) Phillipsburg, St. Maarten Memoranda, letters, etc. (2 copies).	84
Aug. 24, 1978	Morin letter to W. of Aug. 24, 1978 transmitting.	85
	(1) Commonwealth Bank loan file (including Agreements, financial statements and correspondence).	85A
	(2) Schedule of Brooke's real property holdings on Jan. 1, 1978 (2 copies).	85B
Aug. 29, 1978	Morin letter to AES, HS, W, etc., of Aug. 28, 1978 enclosing two Boston Globe articles.	86
Aug. 30, 1978	Letter from Monroe Inker's secretary, A. T. Davis, of Aug. 28, 1978 acknowledging W.'s letter of Aug. 25, 1978.	87
Aug. 31, 1978	Ogilvie letter to W. of Aug. 28, 1978 acknowledging request for records.	88
Do........	Documents received from Remigia and Remi Brooke.	89
	Consisting of duplicates of various check books from mid-1970 to mid-1975; bank statements from 1973 through 1975; deposit slips from mid-1971 through mid-1975; some Senate reimbursements for 1970/1971 and 1974; expenditures for the Ferrari-Scacco Trust; the gift tax return; information on Remwin; Leave and Earning statements from 1969 through 1974; a Commonwealth of Massachusetts petition and data on "PASCO" stock. (See detailed breakdown of these items with Doc. No. 89 et seq.)	89(1-26)
Sept. 5, 1978	Documents from Remegia and Remi Brook including letters and Ferrari-Scacco documents from attorney, George Ford; Camelio's letters to the Senator and Mrs. Brooke; Gaffin's Feb. 14, 1974 accounting and Feb. 11, 1976 update of Teresa Ferrari-Scacco fund; Schatz settlement sheet and two List of Specials; answer to Motion for Entry of Judgment Nisi; Teresa Ferrari-Scacco's 1974 gift tax return.	90
Sept. 11, 1978	Inker's letter of Sept. 6, 1978 denying request for documents and affidavit from Mrs. Brooke.	91
Sept. 12, 1978	Bottomly letter to W. of Sept. 7, 1978 with IRS Form 959 for Remwin.	92, 92A
Sept. 13, 1978	Sharp letter to W. of Aug. 31, 1978 authorizing review of records.	93
Sept. 14, 1978	Copy of Levine letter of Sept. 12, 1978 to Gallagher of the First National Bank of Boston.	94
Sept. 15, 1978	Letter from Levine's secretary to W. enclosing Bottomly letter to Bank of Aug. 23, 1978.	95, 95A
Do........	Documents obtained from Newton-Brookline Welfare Office on Sept. 14, 1978, including Mrs. Ferrari-Scacco's application papers; Declarations of Need; staff workers' "case history" file; and various letters.	96

ved	Subject	Number
5, 1978	Documents obtained from Augustus Camelio, Esquire, on Sept. 14, 1978, including various letters between Camelio and Brooke and Schatz and Camelio from 1967-1971:	
	(1) 1967 letters	97
	(2) 1968 letters	97A
	(3) 1969 letters	97B
	(4) 1970 letters	97C
	(5) 1971 letters	97D
8, 1978	Morin letter to W. of Sept. 15, 1978 stating he expected that they would deliver documents about Sept. 22, 1978.	98
5, 1978	Gaffin documents obtained on Sept. 25, 1978, including:	99
	(1) Remwin documents (Brooke letters of representation, work papers, Remwin Balance Sheet, miscellaneous letters, Form 959);	
	(2) Brild, N.V. documents (checks, workpapers, Dutch incorporation papers, miscellaneous letters);	
	(3) Financial Statements (Dec. 15, 1969 to Commonwealth, Jan. 22, 1970 to City Bank & Trust, Jan. 20, 1971 to Commonwealth): and	
	(4) IRS audit materials, Ratheon documents and 1974 Brooke cash receipts breakdown.	
....	Camelio documents obtained on Sept. 25, 1978, including additional letters between:	
	(1) Camelio and Brooke—two letters in 1967.	100
	(2) Camelio and Goldman (of Schatz & Schatz)—nine letters in 1970.	100A
	(3) Camelio and Goldman—five letters in 1971.	100B
o........	Buckley letter and enclosure of regulations	101
o........	Copies of E. W. Brooke's checks drawn on First National Bank of Boston between Dec. 1971 to May 1978 and cover letter from Carol Connelly to W. of Sept. 26, 1978 with attached list (also attached to Bottomly memo):	102
	(1) Checks dated Dec. 1971 to Nov. 1972	102A
	(2) Checks dated Nov. 1972 to Dec. 1973	102B
	(3) Checks dated Jan. 1974 to Nov. 1974	102C
	(4) Checks dated Jan. 1975 to Dec. 1975	102D
	(5) Checks dated Jan. 1976 to May 1976	102E
	(6) Checks dated May 1976 to Dec. 1976	102F
	(7) Checks dated Dec. 1976 to June 1977	103G
	(8) Checks dated June 1977 to Dec. 1977	102H
	(9) Checks dated Dec. 1977 to May 1978	102I
27, 1978	Carol Connelly letter to W. of Sept. 21, 1978, transmitting:	103
	(1) Brooke checks drawn on First National Bank of Boston from 1972-1978 for "family expenses".	103A
	(2) Bank statements for E. W. Brooke's account at FNB from January 1972 to May 1978.	103B
	(3) Check stubs for E. W. Brooke's account at FNB from January 1972 to May 1978.	103C

Date received	Subject	Number
Sept. 28, 1978	Carol Connelly letter to W. of Sept. 27, 1978 transmitting copies of E. W. Brooke's income and expense entries as reported in his personal journal for the period January 1972 to May 1978 (ledger).	104
Oct. 2, 1978	Copy of Brooke's letter to Dennis Gallagher, of the First National Bank of Boston, dated Sept. 28, 1978.	105
Do	Copies of documents to Robert Jones consisting of:	
	(1) Letter from McGrath to Inker, dated July 8, 1976.	106
	(2) Excerpt of Brooke's Financial Statement of July 17, 1975.	106A
	(3) Outline of Loans to E. W. Brooke (covering period December 1968 to April 1975) including itemization of loan from Norman Cohen.	106B
Oct. 4, 1978	Affidavit of Norman Cohen regarding Remwin dated Sept. 26, 1978.	107
Oct. 6, 1978	Bottomly letter to W. of Oct. 3, 1978 regarding financial disclosure reports.	108
Do	Bottomly letter to W. of Oct. 4, 1978 enclosing Acting Comptroller General's reply to Brooke.	108A
Do	Levine letter to Nancy Simmons of Oct. 6, 1978 regarding delivery of original check stub books and ledger books.	109
Do	Receipt of delivery of documents given to Levine.	109A
Oct. 7, 1978	Boston Globe letter to W. of Oct. 3, 1978 in response to W.'s letter of Sept. 25, 1978.	110
Oct. 11, 1978	Morin letter to W. of Oct. 6, 1978	111
Oct. 12, 1978	Francis Bellotti (Attorney General of Massachusetts) letter to W. of Oct. 9, 1978.	112
Do	Levine letter to W. of Oct. 9, 1978 regarding Watergate II.	113
Oct. 13, 1978	First National Bank of Boston check stubs for 1972–1976 and 1977–1978.	114, 114(A)
Oct. 16, 1978	Bottomly letter to W. of Oct. 11, 1978 regarding release of material to Massachusetts Attorney General's office.	115
Do	Levine letter to Simmons of Oct. 16, 1978 regarding delivery of three tapes.	116
Oct. 17, 1978	Levine delivery to Simmons of the attachments ("List of Specials") to Brooke's Mar. 6, 1972 letter to Remigia.	117
Do	Arthur Schatz's affidavit of Oct. 4, 1978 with following attachments:	118
	Schatz letter to Camelio of Apr. 6, 1967	118(A)
	Schatz letter of Cushing Hospital of Apr. 6, 1967.	118(B)
	Cushing Hospital letter to Schatz of Apr. 18, 1967.	118(C)
	Goldman letter to Camelio of July 7, 1969	118(D)
	Goldman letter to Camelio of July 9, 1969	118(E)
	Goldman letter to City of Newton of July 8, 1969.	118(F)
	Goldman letter to Camelio of Sept. 1, 1971	118(G)
	Goldman letter to Camelio of Oct. 7, 1971	118(H)
Do	Delivery of Bottomly and Connelly Affidavits by Levine to Simmons.	119, 119(A)

CHRONOLOGY OF DOCUMENTS RECEIVED IN BROOKE INITIAL REVIEW—continued

Date received	Subject	Number
Oct. 20, 1978	Brooke letter to AES	120
Do	Committee telegram to Senator Brooke	121
Oct. 31, 1978	Levine letter to J. D. McCullogh (McC.) regarding affidavits and McGrath correspondence.	122
	Norman Cohen affidavit regarding International Investors dated Sept. 26, 1978.	122(A)
	John S. Bottomly's affidavit regarding Boston Globe tapes dated Oct. 9, 1978.	122(B)
	Carol A. Connelly affidavit regarding Oct. 4, 1972 correction dated Sept. 27, 1978.	122(C)
	John S. Bottomly affidavit regarding correction dated Sept. 27, 1978.	122(D)
	C. Connelly affidavit regarding corrections of Jan. 28, 1972 and Mar. 6, 1972 dated Oct. 23, 1978.	122(E)
Nov. 3, 1978	Letter to McC. from F. Bellotti, Massachusetts' Attorney General.	123
Nov. 6, 1978	Letter to McC. from J. Bottomly with enclosures of a letter to Massachusetts' Attorney General.	124
Nov. 9, 1978	Letter to McC. from J. Bottomly regarding Oct. 27, 1978 letter to Morin.	125
Nov. 13, 1978	Letter to McC. from J. Bottomly regarding continuation of Brooke initial review.	126
Do	Letter to McC. from Morin regarding continuation of Brooke initial review.	127
Do	Letter to McC. from Levine of Oct. 27, 1978 letter and continuation of initial review.	128
Nov. 21, 1978	Letter to McC. from C. Connelly regarding financial matters.	129
Nov. 27, 1978	Letter to McC. from J. Bottomly regarding Mar. 5, 1975 letter from Remigia to C. Connelly re Medicare.	130 130
Dec. 5, 1978	Letter to Sen. Brooke from New York Life Insurance Co. dated Nov. 28, 1978.	131
Dec. 6, 1978	Letter to McC. from T. S. Ripley, of The Metropolitan Trust Co. dated Dec. 1, 1978 regarding N. Cohen/Brooke account (International Investors).	132
Dec. 6, 1978	Letter to McC. from Inker regarding Remi Brooke Petit, dated Nov. 28, 1978.	133
Feb. 1, 1979	Letters and checks regarding Rem-Win Corp. and checks paid for fireplace given to McC. by Brooke at Committee Meeting.	134
Do	Letter from Fred Grabowsky to DeGiacomo regarding Bar Counsel review of Morin and Levine.	135

APPENDIX B

LIST OF PERSONS INTERVIEWED IN INITIAL REVIEW OF SENATOR EDWARD W. BROOKE

1. Bottomly, John S.—Attorney and long-time friend of Senator Brooke.
2. Brooke, Edward W.
3. Camelio, Augustus J.—Attorney in Teresa Ferrari-Seacco Case.
4. Caplan, Hubert L., M.D.—Wellesley, Massachusetts.
5. Claflin, Eileen Moynihan—Social Worker Supervisor, Department of Public Welfare, Hyannis, Mass.
6. Cohen, Norman—Canadian business partner and friend of Senator Brooke.
7. Connelly, Carol A.—Office Manager and bookkeeper for Senator Brooke.
8. Cormier, Robert D.—Supervisor, Massachusetts Bureau of Welfare Auditing.
9. Curtin, Mary—Social Services Social Workers, Cushing State Hospital, Framingham, Massachusetts.

LIST OF PERSONS INTERVIEWED IN INITIAL REVIEW OF SENATOR EDWARD W. BROOKE—continued

10. De Giacomo, Robert J.—(Telephonically) Bar Counsel for the Supreme Judicial Court of Massachusetts.
11. Delinski, Stephen—Assistant Attorney General, Massachusetts Chief Criminal Bureau.
12. Gaffin, Stanley—C.P.A., Boston, Massachusetts.
13. Goldman, Jacob J.—Attorney in Teresa Ferrari-Scacco Case.
14. Gordon, Joseph L.—Assistant Attorney General, State of Massachusetts.
15. Greenwald, Bertha—Brookline, Massachusetts Community Service Office.
16. Jacobs, Marshall A.—Member of the Audit Committee and Board of Directors of Perini Corporation.
17. Kasman, Barry—Stockbroker for Senator Brooke and Norman Cohen.
18. Lavoie, Jeanne—Receptionist for law firm of Schatz & Schatz, Ribicoff and Kotpin, Hartford, Connecticut.
19. Larensen, Rita Y.—Assistant Bookkeeper and Paralegal Assistant for Schatz & Schatz, Ribicoff and Kotin, Hartford, Connecticut.
20. McAfoose, Mr.—Assistant Administrator, New England Baptist Hospital, Boston, Massachusetts.
21. McCarthy, William J.—Supervisor, Massachusetts Bureau of Welfare Auditing.
22. McMullen, Maureen—Assistant Payments Social Worker, Massachusetts Department of Public Welfare, Natick, Massachusetts.
23. Ogilvie, Jeffery—Assistant General Counsel, Massachusetts Department of Public Welfare.
24. O'Neal, Margaret—Brookline, Massachusetts Community Service Office.
25. Owens, Robert—Original attorney retained by Remigia Brooke in divorce action.
26. Petite, Remi Brooke—(Telephonically) Daughter of Senator Brooke.
27. Ramella, Jocelyn—Manager, Patient Accounts & Services, Tufts, New England Medical Center Hospital, Boston, Massachusetts.
28. Richard, William A., M.D.—Medical Director of Cushing State Hospital, Framingham, Massachusetts.
29. Ripley, T. S.—(Telephonically) President, Metropolitan Trust Company, Toronto, Ontario, Canada.
30. Rizzo, Nicholas, M.D.—Psychiatrist, Andover, Massachusetts.
31. Schatz, Arthur H.—Attorney in Teresa Ferrari-Scacco Case.
32. Tucker, Herbert—Municipal Judge and friend of Senator Brooke.
33. Tye, A. Raymond—Personal friend of Senator Brooke.
34. Van Lanckton, Mr.—General Counsel, Massachusetts Department of Public Welfare.
35. Verryt, John—Assistant Administrator for Fiscal Affairs, Bon Secours Hospital, Methuen, Massachusetts.

APPENDIX C

FINANCIAL SCHEDULES AND SUMMARIES PREPARED BY AUDITOR FOR THE PERIOD JANUARY 1, 1971 THROUGH DECEMBER 31, 1977

1. Balance Sheet and Income Analysis derived from statements submitted to the Commonwealth National Bank and Massachusetts Probate court.
2. Expense and Income Analysis from Internal Revenue Service No. 1040 Income Tax submissions.
3. Income deviations between Schedules 1 and 2.
4. Analysis of Stocks and Bonds Investments.
5. Analysis of Real Estate Investments.
6. Analysis of other Major Assets.
7. Analysis of Loans and Liabilities (other than Real Estate Mortgages).
8. Analysis of Rental—Income and Expenses.
9. Analysis of "Rem-Win" Corporation.
10. Analysis of Contributions and Honorariums—per Form C.
11. Schedule of Cash Receipts from First National Bank of Boston (FNB)—Checkbook and Bank Statements.
12. Schedule of Cash Disbursements from FNB Checkbook and Bank Statements.
13. Schedule of Cash Receipts and Disbursements from National Savings and Trust Company (NST)—Checkbook and Bank Statements.

FINANCIAL SCHEDULES AND SUMMARIES PREPARED BY AUDITOR FOR THE PERIOD JANUARY 1, 1971 THROUGH DECEMBER 31, 1977—continued

14. Recapitulation of Schedules 11, 12 and 13.
15. Bank reconciliations for FNB and NST.
16. Analysis of "International Investors"/Norman Cohen transaction.
17. Schedule of other Bank Accounts.
18. Analysis of Senator's Home Office Account.
19. Analysis of Direct Disbursements for Dependent Daughters.
20. Analysis of Reimbursable Expenses/Reimbursements.
21. Schedule of Senate Disclosure Form "B" violations.
22. Trial Balance from analysis of above Schedules 1–21.

Note: Like items on different schedules were reconciled with each other. For example, honorariums on Schedule 10 were matched with income from speeches on Schedule 2 and both were checked with cash receipts shown in the speeches/honorarium column of Schedule 11.

○

EXHIBIT NO. 48

COMMITTEE PRINT

INVESTIGATION OF SENATOR HERMAN E. TALMADGE

REPORT

OF THE

SELECT COMMITTEE ON ETHICS
UNITED STATES SENATE

TO ACCOMPANY

S. Res. 249

together with

ADDITIONAL VIEWS

Volume I

Printed for the use of the Select Committee on Ethics

U.S. GOVERNMENT PRINTING OFFICE
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SELECT COMMITTEE ON ETHICS

TALMADGE INVESTIGATION

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SHERRY TOWELL, *Deputy Staff Director*
PATRICIA A. SHERMAN, *Counsel*

TALMADGE INVESTIGATION STAFF

CARL EARDLEY, *Special Counsel*
J. DOUGLAS MCCULLOUGH, *Counsel*
DONNA MCCLAFFERTY, *Staff Assistant*
LAWRENCE SULLIVAN, *Auditor*

CONTENTS

Page

I. Introduction
- A. Background 1
- B. Authority of Select Committee on Ethics 2
- C. Laws and Senate Rules relevant to the investigation 2
- D. Summary of findings 3

II. Scope of inquiry 4

III. Summary of evidence with respect to allegations 6
- A. Over-reimbursements from U.S. Senate 6
- B. Failure to file accurate reports of gifts and assets as required by Senate rule 10
- C. Failure to file candidate's reports of receipts and expenditures as required by law 11
- D. Diversion of campaign and other funds 12
- E. Sources of cash 14
- F. Failure to report gifts and to pay gift taxes 15

IV. Conclusions 16

V. Recommendations and referral to Department of Justice 17
- A. Resolution 17
- B. Referral to Department of Justice 18
- C. Legislative recommendations 18

APPENDICES

Appendix A—Rules of Procedure 21

Appendix B—Letter to the Committee dated May 24, 1978, from Senator Herman E. Talmadge 78

Appendix C—Committee letter of June 9, 1978 79

Appendix D—Stipulation of Fact 80

Appendix E—Committee order re Standard of Proof 84

Appendix F—Respondent's Motion to Dismiss Charges 85

Appendix G—Memorandum in Opposition to Motion to Dismiss 108

Appendix H—Supplemental memorandum in Support of Respondent's Motion to Dismiss 122

Appendix I—Supplemental Memorandum in Opposition to Motion to Dismiss 137

Appendix J—Revised copy of Respondent's Supplemental Brief in Support of Motion to Dismiss Charges 148

Additional views of Senator Harrison H. Schmitt 167

I. INTRODUCTION

A. BACKGROUND

In April 1978, a number of articles were published in connection with a lawsuit brought in Georgia by Senator Herman E. Talmadge to recover the proceeds of certain stock from his former wife. These press accounts focused on Senator Talmadge's testimony during the litigation that he did not know the source of his spending money, although the checks he had written to cash totalled only $600.00 over a five-year period. Senator Talmadge subsequently indicated that his cash came from small gifts from supporters. Later news stories noted possible inaccuracies in campaign reports filed by Senator Talmadge in connection with his 1974 campaign for re-election to the Senate, and in financial disclosure reports filed by the Senator pursuant to Senate Rules. Other newspaper articles concerned alleged overpayments to Senator Talmadge by the Senate resulting from incorrect vouchers submitted by the Senator; allegations that Senator Talmadge had exerted improper influence in connection with certain real estate transactions; and allegations that Senator Talmadge failed to report gifts and to pay gift taxes due on securities given by the Senator to his former wife.

These allegations came to the attention of the Senate Select Committee on Ethics and the Chairman and Vice Chairman determined that a preliminary inquiry, as provided by the Committee's Rules of Procedure, should be made into these charges.[1]

On May 24, 1978, Senator Talmadge wrote to the Committee and requested that the Committee review his practice of accepting small cash gifts (See Appendix B). On June 7, the Committee appointed Carl Eardley, former Deputy Assistant Attorney General in the Department of Justice, as Special Counsel. The Committee unanimously agreed that an initial review should be conducted into the allegations concerning Senator Talmadge. Senator Talmadge was notified by letter of the Committee's decision on June 9, 1978 (See Appendix C). On August 18, 1978, after auditors for the Committee and for Senator Talmadge had reviewed the Senate reimbursements paid to the Senator, Senator Talmadge repaid to the Senate the sum of $37.125.90 for excess reimbursements made to him for the period January 1, 1972 through June 30, 1978.

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[1] S. Res. 338. 88th Cong. 2d Sess. (1964), as amended by S. Res. 110, 95th Cong. 1st Sess. (1977), sets forth two stages to be followed by the Committee in connection with any inquiry involving the conduct of a Member, officer or employee of the Senate. The first stage is an "initial review" by the Committee to determine whether there is reason to believe that possible improper conduct or a violation of a rule or law within the jurisdiction of the Committee may have occurred. If the Committee finds that there is substantial credible evidence which provides substantial cause to conclude that the improper conduct or violation within its jurisdiction has occurred, the Committee is then mandated to conduct an "investigation". The Committee adopted, pursuant to Sec. 2(f) of S. Res. 338. as amended, written procedures to be used in conducting inquiries, and in addition added an introductory stage to the investigatory process, a "preliminary inquiry". See Appendix A, where the relevant Rules of Procedure are set forth.

Following a careful study of the confidential report submitted by Special Counsel at the conclusion of the initial review, the Committee determined that there was substantial credible evidence that violations within the jurisdiction of the Committee had occurred. On December 18, 1978, the Committee voted to conduct an investigation as provided by Senate Resolution 338, as amended, and in accordance with Rule 5 of the Committee's Rules of Procedure. At that time, the Committee also concluded that the allegation that Senator Talmadge had exerted improper influence in connection with certain real estate transactions was without foundation and should be dismissed.

B. AUTHORITY OF SELECT COMMITTEE ON ETHICS

Article I, Section 5, Clause 2 of the United States Constitution provides that: "[e]ach House [of Congress] may determine the Rules of its Proceedings, punish its Members for disorderly behavior, and, with the Concurrence of two thirds, expel a Member." This constitutional authority to investigate and report to the Senate possible unethical conduct was delegated in 1964 to the former Senate Select Committee on Standards and Conduct, and in 1977 to the newly created Select Committee on Ethics. It is the duty of the Committee pursuant to its authorizing resolution, S. Res. 338, as amended in 1977, to:

> [r]eceive complaints and investigate allegations of improper conduct which may reflect upon the Senate, violations of law, and violations of the Senate Code of Official Conduct and violations of rules and regulations of the Senate, relating to the conduct of individuals in the performance of their duties as Members of the Senate, or as officers or employees of the Senate, and to make appropriate findings of fact and conclusions with respect thereto. . . . (S. Res. 338, 88th Cong. 2d. Sess. Sec. 2(a)(1) (1964), as amended by S. Res. 110, 95th Cong., 1st Sess. Sec. 201 (1977))

In order to fulfill this mandate, the Committee is authorized to hold hearings, issue subpoenas, administer oaths, take testimony orally or by deposition and retain outside counsel. The Committee is further authorized, with the prior consent of the department or agency involved, to utilize the services, information and facilities (and to employ the services of personnel) of any such department or agency of the Government.

C. LAWS AND SENATE RULES RELEVANT TO THE INVESTIGATION

Rule 44 of the Standing Rules of the Senate (in effect from July, 1968 through December 31, 1977) required each Senator to file an annual report listing all gifts with an aggregate value of $50 or more received from a single source during the calendar year. Such gifts have been interpreted to include cash, free hotel lodging and clothing. (See e.g., Report accompanying S. Res. 266, Report No. 90–1015, March 15, 1968 at page 14) Each Senator was also required to report any interest in real or personal property having a value of $10,000 or more which he or she owned or in which the Senator had a beneficial interest at any time during the prior year. These reports were to be filed annually on a confidential basis with the Comptroller General of the United States on or before the 15th of May of the following year.

Rule 44 also required each Senator to file a confidential copy of his income tax return for that calendar year, and to file a public report with the Secretary of the Senate listing all campaign contributions and honoraria received.

Senate Resolution 110, agreed to on April 1, 1977, amended the Standing Rules of the Senate by striking Rules 41 through 44 and substituting a new disclosure rule and other requirements.

Rule 42 (in effect from July, 1968 through December 31, 1977) prohibited a Senator from converting campaign contributions to his personal use. This prohibition is currently set forth in Senate Rule 46.

Senators are required by statute, section 58(a) of Title 2 of the United States Code, to certify the correctness of claims submitted to the Government for payment. Criminal penalties for persons who knowingly make a false, fictitious or fraudulent claim against the Government are set forth in section 287 of Title 18 of the United States Code. In addition, section 1001 of that Title imposes criminal penalties for making false statements to the Government and section 371 sets forth criminal sanctions applicable to persons who conspire to defraud the Government.

Certain other statutes are relevant to the allegations which were the subject of this investigation, principally the Federal Election Campaign Act of 1971, 2 U.S.C. 431 et seq., and the Internal Revenue Code of 1954, as amended, 26 U.S.C. 1 et seq.

D. SUMMARY OF FINDINGS

After its review of the evidence, including the facts stipulated by Senator Talmadge (See Appendix D), the testimony of 36 witnesses during 27 days of public hearings, and the 292 exhibits received into evidence, the Committtee made the following findings of fact:

1. From January 1, 1973 through June 30, 1978, fifteen vouchers were submitted to the Senate in the name of Senator Herman E. Talmadge which claimed and recovered Senate reimbursements in the aggregate amount of $43,435.83 for official expenses which were not incurred ($37,125.90 having been repaid by Senator Talmadge on August 18, 1978 for over-reimbursements between 1972 and 1978 inclusive);
2. Senator Talmadge failed to sign, as required by law, and to properly supervise the preparation of all the aforesaid vouchers;
3. The Financial Disclosure Reports required to be filed by Senator Talmadge under Senate Rule 44 for each of the years 1972 through 1977 were inaccurate;
4. Senator Talmadge failed to file in a timely fashion the Candidate's Reports of Receipts and Expenditures for 1973, as required by Federal law, and filed inaccurate reports for the period January 1, 1974 through December 31, 1974;
5. Campaign funds of Senator Talmadge in excess of $10,000.00 were not reported, as required by Federal law, and were deposited by his Campaign Chairman between July 3, 1973 and November 29, 1974 in an account maintained at the Riggs National Bank of Washington, D.C., in the name of "Herman E. Talmadge/Talmadge Campaign Committee." These funds were disbursed by said Campaign Chairman for non-campaign purposes.

6. With respect to the allegations concerning Senator Talmadge's failure to report certain gifts or securities made by him to Mrs. Talmadge, and to pay gift taxes due thereon, the Committee was informed that Senator Talmadge's obligation, if any, to pay gift taxes has been disputed by his auditors and is currently the subject of a review by the Internal Revenue Service. The Committee found no evidence to substantiate the allegation that Senator Talmadge's failure to report gifts or to pay gift taxes, if any, constituted improper conduct on the part of the Senator.[2]

On September 14, 1979, the Committee, by unanimous vote, agreed to report a Resolution setting forth these findings and the Committee's recommendations to the Senate.

II. Scope of Inquiry

The scope of the initial review authorized by the Committee included the following:

1. The alleged overpayments by the Senate to Senator Talmadge on the basis of official vouchers submitted by Senator Talmadge;
2. The alleged failure of Senator Talmadge to properly report to the Secretary of the Senate campaign expenditures for his 1974 campaign as required by law;
3. The alleged failure of Senator Talmadge to properly report gifts, contributions and his interests in property as required by Senate Rule 44 effective from 1968 to 1977;
4. Allegations that Senator Talmadge had failed to properly declare on gift tax returns gifts of securities he made to his ex-wife;
5. The allegation that the Senator had used improper influence in connection with certain private real estate transactions; and
6. The questions raised concerning the Senator's sources of cash.

On October 30, 1978, at the conclusion of the initial review into these six allegations, Special Counsel submitted a confidential report to the Committee summarizing the evidence with respect to each of the six allegations.

After reviewing Special Counsel's Report, the Committee[3] agreed on December 18, 1978 with Special Counsel's conclusion that allegations of improper conduct by Senator Talmadge in connection with certain land transactions were without foundation and thus should be dismissed. The Committee voted, four to one,[1] to authorize an investigation into the five remaining allegations.

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[2] In his confidential report submitted to the Committee at the conclusion of the initial review stage of this inquiry, Special Counsel indicated his opinion that a failure by Senator Talmadge to report gifts of securities he had made to his wife and to pay gift taxes due thereon, if proven, would not be sufficiently serious to warrant the imposition of severe disciplinary action; Special Counsel recommended, therefore, that the Committee propose an appropriate remedy, as provided by Rule 4(f)(3) of the Committee's Rules of Procedure. No resolution of this allegation was reached, and the Committee proceeded with an investigation into the allegation, as mandated by S. Res. 338, as amended, and by Rule 4(f)(3). During the course of the investigation, Special Counsel was informed that Senator Talmadge's tax liability on this issue was a subject of dispute between the Senator's auditors and the Internal Revenue Service: Special Counsel decided, therefore, to present no additional evidence with respect to this allegation. The Committee was presented with no evidence during the investigation, therefore, from which it could conclude that any failure to report gifts and to pay gift taxes due was the result of improper conduct on the part of Senator Talmadge. Accordingly, the Committee determined that this allegation should be dismissed.

[3] During the preliminary inquiry and initial review, the Committee was composed of Senators Adlai Stevenson (Chairman), Harrison Schmitt (Vice Chairman), Abraham Ribicoff, Robert Morgan, John Tower and Charles McC. Mathias. Before the hearings convened, Senators Ribicoff, Tower and Mathias were replaced by Senators Quentin Burdick, Mark Hatfield, and Jesse Helms.

One of the potentially important witnesses in the investigation, Daniel Minchew, former Administrative Assistant to Senator Talmadge, refused to testify unless given immunity. He was granted limited, or "use", immunity, which precluded the Department of Justice from using Mr. Minchew's testimony before the Committee, or any information resulting from his testimony, in any subsequent prosecution against him.

In the course of the investigation numerous witnesses were interviewed by Special Counsel and Committee investigators and voluminous records were examined by Special Counsel and the auditors for the Committee who assisted in the investigation.

Prior to the commencement of public hearings, the Committee ruled on a number of motions filed by counsel for Senator Talmadge and by counsel for Daniel Minchew. These motions included the request that the Committee adopt the standard of proof applicable in criminal cases and require that the allegations against Senator Talmadge be proven beyond a reasonable doubt. Following submission of written briefs and oral argument by counsel for Senator Talmadge and Special Counsel, the Committee denied Senator Talmadge's motion and determined that all allegations be proven by "clear and convincing evidence." (See Appendix E)

Senator Talmadge also moved the Committee to exclude any documentary evidence taken without authorization from the Senator's office by his former Administrative Assistant, Daniel Minchew. After being briefed and argued by Special Counsel and counsel for Senator Talmadge, this motion was denied by the Committee.

Two additional motions, to require Special Counsel to produce any exculpatory evidence and to provide more detail with respect to the allegations under investigation, were resolved by agreement between Special Counsel and counsel for Senator Talmadge.

Finally, upon motion made by counsel for Senator Talmadge, the Committee agreed to issue a *subpoena duces tecum* to Daniel Minchew to require the production of certain documents which had not been previously provided to the Committee.

On April 30, 1979, the Committee began public hearings into the charges against Senator Talmadge. A Stipulation of Fact was entered into by Senator Talmadge on that date and was introduced as Joint Ex. 1. (See Appendix D) Special Counsel concluded his presentation on June 30, 1979, after having called 26 witnesses to testify before the Committee. Counsel for Senator Talmadge then filed a Motion to Dismiss the charges against Senator Talmadge on the ground that Special Counsel had failed to establish a *prima facie* case with respect to the allegations under investigation. The Committee took the Motion and the Memorandum filed by Special Counsel in opposition to the Motion under advisement. (See Appendix F and G) Counsel for Senator Talmadge then informed the Committee that he did not intend to call any witnesses and would rely on the Memorandum filed in support of the Motion to Dismiss.

The Committee determined that the testimony of Senator Talmadge was critical to the resolution of the allegations before the Committee and, on June 26, 1979, Senator Talmadge was formally requested to appear before the Committee. Senator Talmadge agreed to testify and the hearings were resumed on July 9, 1979 and concluded on July 12, 1979, following the testimony of ten witnesses called by Senator Talmadge and the sworn testimony of the Senator.

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[1] One Member of the Committee was necessarily absent.

During the hearings, the Committee heard the testimony of 36 witnesses; 2793 pages of testimony were transcribed and 292 exhibits were received into evidence. All testimony heard by the Committee was given under oath. At the conclusion of the hearings, Special Counsel and counsel for Senator Talmadge were asked to file supplemental briefs on the Motion to Dismiss which was pending before the Committee. (See Appendix H and I)

As required by the Committee's Rules of Procedure, Special Counsel then submitted a confidential report to the Committee for its consideration.

III. Summary of Evidence With Respect to Allegations Subject to Investigation

A. OVER-REIMBURSEMENTS FROM U.S. SENATE

1. Senate procedures

On January 1, 1973, the United States Senate adopted new procedures for obtaining reimbursement from the Senate for expenses incurred by a Senator in connection with official Senate duties. As provided in Section 58(a) of Title 2 of the United States Code, Senators are entitled to reimbursement for, inter alia, official expenses incurred for: (1) airmail and special delivery postage; (2) office expenses incurred in the home state; (3) telephone service charges incurred outside Washington, D.C.; and (4) subscriptions to newspapers, magazines, periodicals and clippings or similar services. The statute provides for reimbursement of these expenses, up to a specified limit per Member, upon submission of a voucher by the Senator certifying that the expenses were officially incurred. A Senator's consolidated allowance for these expenses is computed on a calendar year basis; in any given month a Senator may draw down one-twelfth of his annual allowance plus any balance remaining from previous months. No bills, receipts or other supporting documentation were required to be filed with the Senate Disbursing Office in order to obtain reimbursement for these expenses.[1] Every month, the Senate Disbursing Office sends each Senator a copy of any vouchers paid during that month and a monthly statement indicating the balance available to the Senator for reimbursement. At the close of the calendar year, the Disbursing Office also sends each Senator a copy of each voucher submitted by the Senator for reimbursement.

2. Over-reimbursements to Senator Talmadge

Senator Talmadge maintained a checking account at the Trust Company of Georgia, in Atlanta, for deposits for reimbursements from the Senate and from other sources received for travel and other expenses, for deposits of honoraria and for payment of official and campaign expenses. This account was called the "Special Account"; all checks covering official expenses incurred by Senator Talmadge were drawn on this Special Account and virtually all checks on the account were signed by Senator Talmadge personally (Tr. pp. 113, 116, 124, 1144, 1145). All reimbursement checks received from the Senate, with two exceptions, were deposited into the Special Account (Tr. pp. 95, 461).

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[1] On May 23, 1979, Senator Hatfield, on behalf of himself and the other Members of the Committee, submitted a resolution to the Senate which would require vouchers to be accompanied by supporting documentation. (S. Res. 170, 96th Cong., 1st Sess., agreed to August 2, 1979).

In June, 1978, following the publication of newspaper articles alleging irregularities with respect to reimbursements received from the Senate, Senator Talmadge requested an audit of the Senate reimbursements paid to him for the period January 1, 1972 through June 30, 1978. On July 18, 1978, the Senator's auditors issued a report to Senator Talmadge which estimated the aggregate amount of reimbursements received by Senator Talmadge in excess of allowable expenditures for this period at $36,219.00 (R. Ex. 121). The Committee's auditors reviewed the audit and concluded that the amount of over-reimbursements for the period covered by the original audit was $50,020.57, of which $43,435.83 had been received for the period January 1, 1973–June 30, 1978, when the consolidated, or four-part voucher system was in effect. (See Paragraphs 1 and 2 of Stipulation of Fact; Ex. 42 and Ex. 45). The $50,020.57 included $900.50 in additional over-reimbursements which the Senator's auditors and members of his staff subsequently agreed were not allowable, and two reimbursement checks totalling $12,894.67 which had not been deposited into the Special Account and which were not included in the original audit. (See discussion at page 23, below). On August 18, 1978, Senator Talmadge repaid the Secretary of the Senate the sum of $37,125.90, the amount of over-reimbursements received for the period January 1, 1972 through June 30, 1978, less the $12,894.67. (See paragraph 2 of the Stipulation of Fact)

The evidence before the Committee establishes that, in each of the years 1973–77, reimbursements were made to Senator Talmadge on the basis of vouchers claiming amounts greatly in excess of allowable, or in many cases actual, expenditures:

1. During 1973, the only voucher which was submitted by Senator Talmadge's office to the Senate was $10,604.68; allowable expenditures for the entire calendar year were $1,300.23 (Tr. pp. 578–579; Ex. 442). As is discussed at page 23 below, the proceeds of that voucher, which bore a facsimile of Senator Talmadge's signature from an autopen machine, were never deposited in the Special Account, but were used by Daniel Minchew, Senator Talmadge's Administrative Assistant and Chairman of the Talmadge Campaign Committee, to open an account at the Riggs National Bank in Washington, D.C., in the name of "Herman E. Talmadge/Talmadge Campaign Committee" (Tr. pp. 127, 416–417, 422, 761–762).

2. In 1974, two vouchers were submitted on behalf of Senator Talmadge. The first was in the amount of $5,885.85 and included $3,685.85 for home office expenses. During this period, there were no allowable home office expenses and the total allowable expenditures for the period were $2,204.81. (See Ex. 12.6, Ex. 42). This voucher was signed by autopen (Tr. pp. 418–419). The second voucher submitted in 1974 was for $2,289.99, and also was signed using an autopen machine (Ex. 12.7, Tr. pp. 418–419). This

voucher was prepared by, or at the insistance of, Senator Talmadge's Administrative Assistant, Daniel Minchew, and its proceeds deposited by Mr. Minchew into the Riggs account (Tr. p. 791).

3. In 1975, when T. Rogers Wade served as Administrative Assistant to Senator Talmadge, over-reimbursements to Senator Talmadge resulting from the two vouchers submitted for the year totalled $15,868.23 (Tr. pp. 1209–1210; Ex. 42). The vouchers submitted for the period January 1–June 30, 1975, to which Mr. Wade signed Senator Talmadge's name, claimed $8,172.36 in reimbursements, including $6,500.00 in home office expenses (Tr. pp. 19–20, 21; Ex. 12). There were no allowable home office expenses for that period, and the total amount of recoverable expenses was only $446.85 (Ex. 42). The second voucher submitted in 1975, which also was signed by Mr. Wade using Senator Talmadge's signature, claimed $9,212.00, including $7,000.00 for home office expenses. During the relevant periods there were no allowable home office expenses and allowable expenditures totalled $1,068.98 (Tr. p. 21; Ex. 42).

4. In 1976, three vouchers were submitted, resulting in an aggregate over-reimbursement to Senator Talmadge of $8,824.64 (Ex. 42). The voucher for the period January 1–June 30, 1976 was signed by Senator Talmadge (Tr. pp. 128, 416–417; Ex. 17). It claimed total reimbursable expenses of $9,394.31, of which $8,052.56 was claimed as home office expense. The total reimbursable expenditures for that period were $1,540.99, $60.00 of which was allowable as home office expense (Ex. 42).

5. In 1977, the total amount of over-reimbursements to Senator Talmadge for the six vouchers submitted in that year was $5,027.81 (Ex. 42).

Most of the over-reimbursements received for these years resulted from excessive claims for home office expenses. For the years 1973 through 1977, a total of $42,744.32 was claimed by Senator Talmadge for home office expense (Tr. p. 584; Ex. 42). During this period the total allowable home office expense was $2,172.23, resulting in an overpayment of $40,572.09 in non-existent home office expenses (Ex. 42).

Because salaries related to the operation of Senator Talmadge's home office are paid by the Senate and office space is provided by the General Services Administration, the amount of allowable home office expense generally has been negligible (Tr. pp. 22, 91–92, 1144). The nominal expenses which actually were incurred were paid by Senator Talmadge by checks drawn on the Special Account (Tr. pp. 95, 185, 1144–1145).

In 1975, for example, when $13,500 was claimed as home office expense, only eighteen checks for allowable expenses, totalling $1,500, were drawn on the Special Account for the entire year (Ex. 42, Ex. 53a; Tr. pp. 1144–1145). Similarly, the voucher for the period January–June 1976, signed by Senator Talmadge, claimed home office expenses of $8,052.56, when the actual expense was only $60.00 (Ex. 42).

According to testimony before the Committee, Senator Talmadge signed virtually all of the checks drawn on the Special Account (Tr. pp. 125–126); he occasionally examined the checks on both the front and back sides (Tr. pp. 125–126, 153, 212) and reviewed the monthly bank statements (Tr. pp. 94, 125–126, 153, 212). Senator Talmadge's accountant received copies of financial data relating to the operation of Senator Talmadge's office, including bank statements, deposit slips, checks and, for some years, copies of Senate vouchers (Tr. pp. 153, 174, 462, 507–508). and used this information in preparing Senator Talmadge's tax returns (Tr. pp. 469–471). A reconciliation of these documents would have revealed the discrepancy between actual expenditures and those being claimed for reimbursement. Senator Talmadge and his accountant both stated that no such reconciliation was undertaken before June of 1978 even though they had been informed in 1977 of the possibility of such a discrepancy (Tr. pp. 465–466, 468, 515, 1144, 1145, 1155, 1157).

In explanation, Senator Talmadge has testified that office financial matters were given a "low priority" (Tr. pp. 1141, 1142–1143, 1146, 1149). The evidence before the Committee is conflicting on this point. Several witnesses testified that Senator Talmadge was concerned about, and involved with, the office budget and other financial matters. Congressman Ronald ("Bo") Ginn, who served as Senator Talmadge's Administrative Assistant from 1966 to 1971, testified, for example, that during his tenure as Senator Talmadge's Administrative Assistant, Senator Talmadge "kept very close observation over all office matters" and that the Senator's grasp of details and figures was "the best he's ever seen" (Tr. pp. 1089–1092). This characterization is confirmed by the testimony given by Mrs. Allyne Tisdale, Senator Talmadge's financial secretary, by Mr. Lawrence Earls, Senator Talmadge's accountant, and, to some extent, by Senator Talmadge himself (Tr. pp. 123–126, 149, 563–564, 1194–1195).

However, other testimony heard by the Committee would bear out the Senator's statement that office matters were given a low priority. For example, Senator Talmadge has acknowledged his failure to supervise the preparation of vouchers and the use of the autopen or fascimile signatures by his staff in signing the vouchers submitted for the period 1973–1975 (Tr. pp. 19–21 1141–1142, 1144–1145, 1160–1166). Furthermore, Mrs. Allyne Tisdale, the member of the Senator's staff most qualified to handle bookkeeping matters was, according to her testimony, not given responsibility for preparing Senate vouchers until late 1976 (Tr. pp. 126, 130–131). The allegedly low priority given office financial matters might also serve to explain how Senator Talmadge's former Administrative Assistant, Daniel Minchew, could have diverted more than $12,000 in Senate funds without being detected, despite the monthly statements of reimbursements and year-end copies of vouchers provided by the Senate Disbursing Office. It may also explain why Senator Talmadge failed to take any action to verify information he received in August, 1977, and his accountant received one month later, as to possible over-reimbursements from the Senate. (Ex. 18, p. 57, Ex. 991, pp. 13–15; Tr. pp. 1155–1157). Finally, it is consistent with the fact that no disciplinary action has been taken against present members of Senator Talmadge's staff whose "staff errors" resulted in over-payments to the Senator of $29,720.98 for the years 1975–1977 (Tr. pp. 6–7, 12, 1148–1149; Ex. 42). This evidence could, however, also lead to the conclusion that Senator Talmadge knew that reimbursements received from the Senate greatly exceeded allowable expenditures.

B. FAILURE TO FILE ACCURATE REPORTS OF GIFTS AND ASSETS AS REQUIRED BY SENATE RULE

Rule 44 of the Standing Rules of the Senate, in effect from July, 1968 through December 31. 1977, required each Senator to file a Confidential Statement of Financial Interests with the Comptroller General of the United States. Senators were required to include in this statement (1) all gifts having an aggregate value of $50 or more received from a single source in a calendar year; and (2) all interests in real or personal property and all beneficial interests in trusts having a value of $10,000 or more.

For the years 1972–1977, Senator Talmadge filed statements disclosing gifts as follows:

Date filed	Period covered	Gifts reported
May 14, 1973	1972	None.
May 10, 1974	1973	Talmadge birthday, etc., $1,600.
May 6, 1975	1974	Talmadge birthday party committee, $2,000.
May 6, 1976	1975	None.
May 5, 1977	1976	Do.
May 11. 1978	1977	Do.

Note: Par. 7 of stipulation of fact.

These reports failed to include the following gifts made to Senator Talmadge:

Year and name of donor	Nature of gift	Value
1972:		
Richard H. Rich, Harold H. Brockey	Ties, shirt, sport coat	Unknown.
Robert M. Heard	Fruit of the month	Do.
1973:		
Diane B. Andersen	Check	$100.
Robert M. Heard	Fruit of the month	Unknown.
Robert H. Rich, Harold H. Brockey, Joel Goldberg.	Suit, shirt, tie	Do.
1974: R. B. Sewell, Sr	2 suits	Do.
1975:		
J. F. Hart	Birthday gift	$100.
R. B. Sewell, Sr	2 suits	$80.
1977:		
H. Lowell Conner	4 suits	$190 (approximate).
Atlanta American Motor Hotel	Courtesy hotel accommodations (no meals)	$450.
Al and Rol Forsythe	Portable trampoline	150 (estimate).

On July 20, 1978, Senator Talmadge filed amended statements for these years which reported the above gifts. (Paragraph 8 of Stipulation of Fact) Senator Talmadge also provided the Committee with a list of other gifts received during these years, each with an apparent value of less than the $50 reporting threshold. (Paragraph 9 of Stipulation of Fact). In response to questions concerning the possibility of additional, unreported tangible gifts and gifts of cash, transportation and lodging, Senator Talmadge has stated that he made no effort to keep records of gifts received by him. (Ex. 10, p. 18)

Senator Talmadge has acknowledged that he was provided the following trips by air which were not reported on any Confidential Statements of Financial Interests filed by the Senator:

Date	Destination	Transportation
Junly 10, 1970	Washington, D.C. to Valdosta, Ga	Southern Ry. System
July 12, 1970	Valdosta, Ga. to Washington, D.C	Do.
June 18, 1971	Washington, D.C. to Valdosta, Ga	Do.
June 20, 1971	Valdosta, Ga. to Washington, D.C	Do.
Apr. 14, 1972	Washington, D.C. to Valdosta, Ga	Do.
Feb. 28, 1973	Washington, D.C. to Bimini, Bahamas	Rockwell International.
Mar. 26, 1973	Washington, D.C. to Athens, Ga	Southern Ry. System.
June 9, 1974	Atlanta, Ga. to Augusta, Ga	Southern Co. Services.
Nov. 12, 1975	Washington, D.C. to Columbus, Ga	American Family Life Assurance Co.
Feb. 5, 1976	Washington, D.C. to Marco Island, Fla	International Paper Co.
Feb. 6, 1976	Marco Island, Fla. to Washington, D.C	Do.
June 11, 1976	Washington, D.C. to Palatka, Fla	Southern Ry, System.
June 13, 1976	Palataka, Fla. to Washington, D.C	Do.

Note: Par. 16 of stipulation of fact; see also, tr. p. 8-9.

That the trips occurred and were not reported is stipulated. That they should have been reported was not absolutely clear from the text of Senate Rule 44. In July 1977—more than a year after the last trip identified in the stipulated facts—the newly established Select Committee on Ethics was asked to render interpretative rulings under the disclosure requirements adopted by the Senate on April 1, 1977. The Committee held that gifts of air transportation would be reportable under Rule 44 (in effect from July, 1968 to December 31, 1977) and under Senate Rule 42 (in effect from January 1, 1978 through August 3, 1979). (Interpretative Rulings No. 41, dated July 1, 1977 and No. 46, dated July 20, 1977)

During this same period, 1972–1977, Senator Talmadge reported that no interests in property were held in trust for his benefit. (Paragraphs 3 through 6 of Stipulation of Fact)

In 1967, Senator Talmadge purchased, at a cost of approximately $119,000, an interest in the stock of Terminal Facilities, a syndicate which had acquired substantial holdings of real property. The stock, which was registered in the name of Senator Talmadge's then wife, Elizabeth S. Talmadge, was sold in 1972 for $750,000. In 1977, Senator Talmadge sued Mrs. Talmadge to recover the proceeds from the sale of the Terminal Facilities stock. On June 27, 1978, the Supreme Court of Georgia issued a decision upholding Senator Talmadge's contention that the stock, and the proceeds from its sale, were held in trust by Mrs. Talmadge for the benefit of Senator Talmadge.

The Terminal Facilities stock and the proceeds from its sale were not reported by Senator Talmadge either as his own asset or as property held in trust for his benefit in any of the financial disclosure reports he filed for the years 1970–1976, although in 1970–1971, the Terminal Facilities stock was reported by Senator Talmadge as being the property of Mrs. Talmadge, and in 1977, Senator Talmadge reported the proceeds as being due to him pending litigation (Tr. pp. 8, 1137–1138, Paragraphs 3 through 6 of Stipulation of Fact).

C. FAILURE TO FILE CANDIDATE'S REPORTS OF RECEIPTS AND EXPENDITURES AS REQUIRED BY LAW

As a candidate for re-election to the Senate in 1974, Senator Talmadge was required to submit reports showing campaign receipts and expenditures under Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434). ("Receipts and Expenditures Report of a Candidate for Nomination or for Election to the United States Senate", Senate Election Form 2.) [2] No "Receipts and Expenditures Report of a Candidate" was filed for the year 1973 until June 20, 1978. The report filed in 1978 disclosed that campaign expenditures of $14,669.11 had been paid by Senator Talmadge in 1973 and that he had been reimbursed for these expenditures by the Talmadge Campaign Committee on January 4, 1975 (Paragraph 13 of Stipulation of Fact).

During the period April 10, 1974 through January 30, 1975, Senator Talmadge filed reports certifying that he had no campaign receipts or expenditures; however, on January 30, 1975, he was reimbursed by the Talmadge Campaign Committee for $12,243.33 in campaign expenditures he had made in 1974 (Tr. pp. 7-8, 29-41, 737-739, 1139-1140). On that same day, January 30, 1975, Senator Talmadge had filed a sworn statement, notarized by his Administrative Assistant, T. Rogers Wade, that he had no receipts or expenditures for the period October 25, 1974 through December 31, 1974 (Tr. pp. 13-14). The reports filed by the Talmadge Campaign Committee on March 10, 1975 showed reimbursements to Senator Talmadge of the $26,913.44 cited above for 1973 and 1974 (Paragraph 15 of Stipulation of Fact). Amended reports were filed by Senator Talmadge on June 19, 1978 showing these expenditures and the reimbursement made by the Talmadge Campaign Committee (Ex. 4).[3]

D. DIVERSION OF CAMPAIGN AND OTHER FUNDS

On July 3, 1973, a checking account was opened by Daniel Minchew in the name of "Herman E. Talmadge/Talmadge Campaign Committee" at the Riggs National Bank in Washington, D.C. (Tr. pp. 761-762, 764). Mr. Minchew, who was then Administrative Assistant to Senator Talmadge and Chairman of the Talmadge Campaign Committee, testified that he affixed autopenned signatures of Senator Talmadge to the letter and the signature card used in opening the account (Tr. pp. 761-762).

From July 3, 1973 to November 29, 1974, a total of $39,314.67 was deposited to the Riggs account by Daniel Minchew (Tr. p. 578). This amount included the proceeds from a Senate reimbursement voucher for $10,604.68, dated June 19, 1973, which was prepared by Mr. Minchew with an autopenned signature of Senator Talmadge and used by Mr. Minchew as part of the initial deposit to the account (Tr. pp. 762, 784-785). Proceeds from a second Senate voucher in the amount of $2,2289.99, dated March 26, 1974, also were deposited in the Riggs account by Mr. Minchew (Tr. p. 791).

It has been established that at least $10,050 of the funds deposited in the Riggs account were campaign contributions in the form of checks or travelers checks made out to Herman E. Talmadge or the Talmadge Campaign Committee, which were improperly diverted to the Riggs account by Mr. Minchew (Paragraph 12 of Stipulation of Fact; Ex. 44).

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[2] In a letter dated April 4, 1974, Senator Talmadge was notified by the Assistant Secretary of the Senate of his obligation to file these Reports and that no such Reports had been received. (Ex. 2)

[3] See also discussion which follows.

These included checks from the following individuals, in the amounts stated:

William Manning	$1,000
J. C. Shaw	5,000
Thomas Arnold	100
Claude P. Cook	500
H. P. Williams	500
Parke Brinkley	500
John Ray	100
William Fickling	250
Ralph Kittle	100

(Paragraph 12 of Stipulation of Fact)

In addition, $2,000 in travelers checks made out to the Talmadge Campaign Committee by Howard Keck, Chief Executive Officer of the Superior Oil Company, were deposited in the Riggs account by Mr. Minchew. (See Paragraph 12 of the Stipulation of Fact; Ex. 44.) Much, if not all, of the remaining $11,370.10 deposited to the account also would appear to be campaign contributions[4] (Paragraph 12 of Stipulation of Fact; Ex. 44). None of these funds were reported on campaign reports filed by Senator Talmadge or the Talmadge Campaign Committee, as required by Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (Paragraphs 13 and 14 of Stipulation of Fact).

The Committee received into evidence a document described as "Q–1" (Ex. 22) which mentions "the travelers check matter", an apparent reference to the $2,000 in travelers checks from Mr. Keck.[5] The upper portion of the document purports to be a memorandum dated August 20, 1974 from Daniel Minchew to Mrs. Allyne Tisdale, Senator Talmadge's Financial Secretary; the lower portion would appear to be Mrs. Tisdale's response and is dated August 21, 1974. It states in part: "Daniel. . . . Please give SENATOR $500 and then lock in the cabinet under TV? Just let me know where you will keep key?" Although Mrs. Tisdale originally stated "I would say that I typed it" and that it was typed in her style (Tr. pp. 169–170) she subsequently testified under oath that she is certain she did not type either that document or a second referred to as "Q–2" (Ex. 23).

Q–2 consists in part of a photocopy of two envelopes, one with the notation "TED LAMIS, Macon, GA 31201; 6-3-74 $50.00". The second reads "$500, Various Coca-Cola (EARL LEONARD)". Below the photocopy of these envelopes is the typed statement "DANIEL . . . For info: These sums were given today to Senator. None is reported in any form, of course. And he asked this question. Thanks. at 8–6–74 (As SENATOR said, this helps offset some of the campaign expenses which we are reluctant to pay from the Campaign A/C.)" If authentic, these documents would strongly suggest that Senator Talmadge knew that campaign funds were not being reported as required by law and were being converted to his own personal use.[6]

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[4] A campaign contribution of $5,000 which was deposited into the Riggs account and subsequently withdrawn and deposited in the Talmadge Campaign Committee account is not included in this amount (Tr. pp. 1173–1174, 39, 1199; Ex. 44).

[5] The Committee also received into evidence a copy of a letter to Daniel Minchew dated August 21, 1974 from Mr. Robert Schramm, a former aide to Senator Talmadge and then employed by Superior Oil Company, giving Mr. Minchew Mr. Keck's address (Ex. 90). The travelers checks were deposited by Mr. Minchew into the Riggs account on August 22, 1974 (Tr. pp. 358–359; Ex. 81) and $2,000 in cash was withdrawn from the account on that same day (Tr. p. 597; Ex. 44).

Mr. Manning testified under cross-examination by counsel for Senator Talmadge that he handed an envelope containing his check for $1,000 to Senator Talmadge in a meeting with the Senator and Daniel Minchew at the airport in Macon, Georgia (Tr. pp. 343–344). Mr. Manning stated that Senator Talmadge then gave the envelope to Daniel Minchew (Tr. pp. 345–346). Mr. Brinkley testified that he had discussed with Senator Talmadge his intention of making a contribution to the Senator, but did not recall if it had been delivered by hand when he met with Senator Talmadge, on August 22, 1974, or if the check had been sent in the mail (Tr. pp. 390–391).

The Committee's auditors determined that Mr. Minchew received and used for his own benefit approximately $18,000.00 of the total deposited into the Riggs account (Ex. 50, rev'd; Tr. p. 843). Mr. Minchew testified that these sums represented reimbursements to him for expenditures made on behalf of Senator Talmadge; the Committee's auditors found documentation to support a number of such expenditures. (See, e.g., Ex. 47.1–47.8 documenting $1,776.12 in otherwise unreimbursed expenditures made by Mr. Minchew; R. Ex. 50.3, R. Ex. 51.4; R. Ex. 52.31, Ex. 31.7; Tr. pp. 718, 843–844.) Bank records show that the balance in the account as of December 31, 1974 was $113.67, leaving approximately $16.000 of the total deposits withdrawn by Mr. Minchew unaccounted for.[7]

E. SOURCES OF CASH

In a deposition taken on August 27, 1977, in connection with the suit brought by Senator Talmadge against his former wife to recover the proceeds of the Terminal Facilities stock which had been purchased by the Senator in 1967, Senator Talmadge was questioned about his sources of cash.[8]

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[6] A Questioned Document Examiner from the Department of the Treasury examined these documents and testified before the Committee that the lower portion of Q-1 and all of Q-2 were typed on Mrs. Tisdale's typewriter and, because of certain characteristics in her style, concluded that these documents had been typed by Mrs. Tisdale (Tr. pp. 426–427, 435–436, 779). The Document Examiner also stated that it was possible that the documents could have been fabricated by someone who had studied Mrs. Tisdale's style and consciously attempted to duplicate it (Tr. pp. 936, 781). However, since the typewriter used to prepare these documents was returned to GSA in 1975, any fabrication would necessarily have had to take place before that time (Tr. p. 999).

[7] See footnote 4.

[8] Senator Talmadge testified in the deposition as follows:

Q. Now, are there any other items, Senator, that you would normally or routinely pay by cash?

A. That's about it, I guess.

Q. Food, I guess, was usually by cash?

A. Yes.

Q. Would you mind telling me what the source of that cash is?

A. Comes from personal funds.

Q. I found only one check for cash in five or six years out of the check stubs that you furnished us. I wondered where the cash came from.

A. I usually have a few dollars around and use that.

Q. You would not be willing to tell me what the source of that is?

A. My personal funds.

Q. Well, I assume that your personal funds, if you have them—I'm asking you where the cash comes from, physically?

A. I don't know.

Q. Do you receive any money in cash, Senator?

A. Very rarely, and I haven't received any since my last campaign.

• • • • • • •

Q. I'm going to get into that, too, but I wanted to ask if you don't write checks to cash and cash the checks and people don't give you cash except in connection with the campaign, what is the source of the cash that you use to pay the expenses that you have just described that you pay in cash?

When it was pointed out to the Senator that he had written checks to cash totalling only $600 during a five-year period, the Senator was unable to give the source of his spending money. Subsequently, Senator Talmadge has said in public statements and in testimony before the Committee that his cash came in part from small gifts of five to twenty dollars (Tr. p. 8; Ex. 9, 10). On May 24, 1978, Senator Talmadge requested the Committee to review his practice of accepting cash gifts. (See Appendix B.)

Witnesses before the Committee testified that it was a common practice in Georgia for constituents to express their support of local political figures in the form of cash gifts (Tr. pp. 1063–1064, 1068–1069). One of the witnesses, former Lieutenant-Governor Peter Zack Geer, testified that on several occasions he had seen Senator Talmadge receive such gifts from supporters (Tr. pp. 985–986).

The Senator's former wife, Betty Talmadge, testified that during their marriage Senator Talmadge kept large supplies of cash which Mrs. Talmadge used to pay personal and household expenses (Tr. pp. 971–972, 982). According to Mrs. Talmadge's testimony, this cash was kept in the pocket of an overcoat belonging to Senator Talmadge when they were in Washington; at their residence in Lovejoy, Georgia, the cash was kept in a drawer (Tr. pp. 971, 975). Mrs. Talmadge further testified that the 77 $100 bills which she turned over to the Committee had come from an estimated $12,000–$15,000 which she had taken from this supply of cash (Tr. p. 975). Senater Talmadge testified that he did not maintain large supplies of cash and that he has no knowledge of the source of the $100 bills which were supplied to the Committee by Mrs. Talmadge (Tr. pp. 1139–1140).

F. FAILURE TO REPORT GIFTS AND TO PAY GIFT TAXES

Senator Talmadge stated in his deposition taken on August 27, 1977 (Ex. 18) that during the period 1959–1971 he purchased the following securities which were given to his then wife, Betty Talmadge:

A. Oh, I don't know. I've had a little money around the house there and I write some checks from time to time and I guess it came from one or the other sources.

Q. I want to be fair with you. We have only found one check of $300 to cash in all of the checks that you furnished to us.

A. Most of my transactions except very limited expenses are by check. I buy most of my food with cash and that's about all I spend cash for except token amounts I give Cel, or did give her so long as she was acting as maid down at the house.

Q. But if you didn't cash any checks, Senator, for cash, then where did you get your pocket money? That is what I am asking.

A. I don't spend much pocket money. I've got I think $100 or so in my pocket now, I don't recall where I got that.

Q. You don't know where the $100 you have got in your pocket came from?

A. I don't know whether it came from cashing a check or cash I had on me. I don't know.

Q. Well, if it came from cash on hand, do you have any more cash on hand?

A. No.

Q. Have you had cash on hand other than in banks?

A. Modest amounts, yes.

Q. And modest amounts would be approximately what?

A. Oh, a few hundred dollars.

Q. A few hundred dollars?

A. Yes.

Q. And what would be the source of those few hundred dollars?

A. I don't know.

Q. What could it be, Senator, if you didn't cash any checks for cash?

A. Well, it could have been contributions from friends, gifts, honorariums or something of that nature. I think those, however, are articles——

Q. So your best recollection here today is that you can't tell us where any cash you might have on hand came from?

A. No.

(Ex. 18, pp. 27–31.)

Name of security	Year of gift	Value at time of gift [1]
American Home Products (originally the E. J. Brach Candy Co.)	1959	$5,143.10
Central Bankshares Corp. (formerly Central Bank & Trust Co. of Jonesboro)	1964	2,500.00
Genuine Parts	1967	12,425.00
Second Fiduciary Exchange Fund, Inc	1967	3,013.00
	1968	3,443.00
	1971	9,156.00
Citizens & Southern National Bank	1967	2,000.00
Interfinancial, Inc	1964	[2] 7,273.00
	1971	[2] 672.00
	1972	[2] 425.00
Pet, Inc. (formerly Stuckeys)	1960	1,000.00
Servomation	1969	3,000.00
	1970	1,200.00
	1971	1,200.00
Solanta	1968	13,250.00

[1] This information was provided to the committee by Senator Talmadge's office.
[2] Estimate.

Note: Ex. pp. 41–50, 104–105, 110–111, 116, 125–126, 145.

Committee auditors have estimated the amount of gift tax due on these gifts at approximately $1,000.00 (Ex. 46). Senator Talmadge's auditors have disputed this figure. The Senator's obligation to pay taxes on gifts is being reviewd by the Internal Revenue Service. The Committee found no clear and convincing evidence of a failure to report gifts or to pay gift taxes thereon, if any, that constituted improper conduct on the part of Senator Talmadge. Accordingly, the Committee determined that this allegation should be dismissed.[9]

IV. Conclusions

From the facts set forth above, the Committee found that the record before it establishes, by clear and convincing evidence, the following:

1. that vouchers were submitted in the name of Senator Talmadge from January 1, 1973 through June 30, 1978, which claimed and recovered excess reimbursements totalling $43,435.83, and that Senator Talmadge failed to sign, as required by Section 58(a) of Title 2 of the United States Code, and to properly supervise the preparation of all the aforesaid vouchers;
2. that the Financial Disclosure Reports required to be filed by Senator Talmadge under Rule 44 of the Standing Rules of the Senate (in effect July, 1968–December 31, 1977) were inaccurate for each of the years 1972 through 1977;
3. that Senator Talmadge failed to file in a timely fashion the Candidate's Reports of Receipts and Expenditures for 1973, as required by Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) and inaccurate reports were filed for the period January 1, 1974 through December 31, 1974; and
4. that campaign funds of Senator Talmadge in excess of $10,000. were not reported as required by Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) and were deposited by Senator Talmadge's Campaign Chairman between July 3, 1973 and November 29, 1974 in an account maintained at the Riggs National Bank of Washington, D.C. in the name of "Herman E. Talmadge/Talmadge Campaign Committee" and were disbursed by said Campaign Chairman in violation of Rule 42 of the Standing Rules of the Senate (in effect 1968–1977).

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[9] See note preceding.

The Committee further concluded that Senator Talmadge either knew, or should have known, of the acts and omissions set forth above and, therefore, by the gross neglect of his duty to faithfully and carefully administer the affairs of his office he is responsible for these acts and omissions, and should reimburse the Senate for $12,894.67 representing over-reimbursements deposited to the Riggs account, for which the Senate has not yet been reimbursed.[1]

The Committee found no clear and convincing evidence of a failure to report gifts or to pay gift taxes thereon, if any, that constituted improper conduct on the part of the Senator. Accordingly, the Committee determined that this allegation should be dismissed.[2]

V. RECOMMENDATIONS AND REFERRAL TO DEPARTMENT OF JUSTICE

A. RESOLUTION

On September 14, 1979, after a careful review of the evidence before it, the Committee, by a unanimous vote, agreed to report to the Senate the recommendations contained in the following resolution:

Whereas From January 1, 1973 through June 30, 1978, fifteen vouchers were submitted to the Senate in the name of Senator Herman E. Talmadge which claimed and recovered Senate reimbursements in the aggregate amount of $43,435.83 for official expenses which were not incurred ($37,125.90 having been repaid by Senator Talmadge on August 18, 1978 for over-reimbursements between 1972 and 1978 inclusive); and

Whereas Senator Talmadge failed to sign, as required by law, and properly supervise the preparation of all the aforesaid vouchers; and

Whereas The Financial Disclosure Reports required to be filed by Senator Talmadge under Senate Rules for each of the years 1972 through 1977 were inaccurate; and

Whereas Senator Talmadge failed to file in a timely fashion the Candidate's Receipts and Expenditures Reports for 1973, as required by Federal law, and inaccurate reports were filed for the period January 1, 1974 through December 31, 1974; and

Whereas Campaign funds of Senator Talmadge in excess of $10,000.00 were not reported, as required by law, and were deposited by his Campaign Chairman between July 3, 1973 and November 29, 1974 in an account maintained at the Riggs National Bank of Washington, D.C. in the name of Herman E. Talmadge/Talmadge Campaign Committee and were disbursed by said Campaign Chairman for non-campaign purposes.

Resolved, It is the judgment of the Senate that Senator Talmadge either knew, or should have known, of these improper acts and omissions, and, therefore, by the gross neglect of his duty to faithfully and carefully administer the affairs of his office, he is responsible for these acts and omissions.

Resolved further, It is the judgment of the Senate that the conduct of Senator Talmadge, as aforesaid, is reprehensible and tends to bring the Senate into dishonor and disrepute and is hereby denounced.

Further resolved, That Senator Herman E. Talmadge be required to reimburse to the United States Senate the sum of $12,894.57 plus interest on over-reimbursements in the aggregate amount of $43,435.83 at such rates and for such periods as are determined by the Secretary of the Treasury, in accordance with established procedures for collecting over-reimbursements.

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[1] See discussion which precedes.

[2] See note preceding.

The facts in this investigation are distinguishable from those of earlier matters in which the Senate "censured" or "condemned" a Member. The Committee therefore expresses its judgment and its recommendation with respect to the conduct of Senator Talmadge and the effect of that conduct on the Senate with words that do not depend on analogy to dissimilar historical circumstances for interpretation.

B. REFERRAL TO DEPARTMENT OF JUSTICE

A number of witnesses who testified under oath before the Committee gave testimony that conflcted in material respects with the sworn testimony of other witnesses before the Committee. The Committee must conclude, therefore, that one or more of these witnesses (not all of whom are Senate employees) gave false testimony under oath. Furthermore, the statements made by certain witnesses, if true, and the import of certain documents, if authentic, would indicate that other serious violations of law have occurred. Such violations on the part of various individuals, could include the following: the making of false statements to the Government; the making of false, fictitious or fraudulent claims against the Government; conspiring to defraud the Government; willful evasion of income and gift taxes; failure to keep adequate records as required by the Internal Revenue Code; failure to comply with the requirements of the Federal election laws; and receiving campaign contributions in a Federal building in violation of Federal law. Since the prosecution of such violations is within the jurisdiction of the Department of Justice, the Committee has made its files available to the Department for such action as the Attorney General may take to determine if violations of law have occured. Should the Department of Justice find evidence leading to the indictment or conviction of any Member, officer or employee of the Senate, the Committee will take such additional action as is appropriate.

C. LEGISLATIVE RECOMMENDATIONS

Certain inadequacies in accounting procedures within the Senate became apparent during the course of the Committee's investigation of Senator Talmadge. For example, there are currently no guidelines available to aid a Senator's office in establishing a sound bookkeeping system. To correct these deficiencies the Committee recommends the following:

(1) that bookkeeping procedures be developed by the Committee on Rules and Administration which would require the maintenance of separate books and accounts for Senators' personal, official and campaign funds;

(2) that rules governing the proper submission of vouchers be adopted;

(3) that rules concerning the use of the autopen be issued; and

(4) that a mechanism be developed whereby audits of a Senator's financial accounts, including the reconciliation of a Senator's office records with those of the Senate Disbursing Office, could be

conducted in circumstances suggesting the existence of possible irregularities.

It also became evident during the Committee's hearings that a great deal of confusion exists on the part of Senators and members of their staffs as to what constitutes an official expense for which reimbursement may be received, particularly with respect to the Member's Ten Percent Allowance. The Committee recommends the adoption of rules which clearly define "official" and "reimbursable" expenses.

The procedural recommendations set forth in this Report reflect the Committee's belief that each Member of the Senate is responsible for the personal, official and political funds used in connection with his office and is accountable to both the Senate and the public for the misuse of all such funds.

We approve the submission to the Senate of the Report of the Select Committee on Ethics concerning the investigation of Senator Herman E. Talmadge.

ADLAI E. STEVENSON, Chairman.
HARRISON H. SCHMITT, Vice Chairman.
QUENTIN N. BURDICK.
ROBERT MORGAN.
MARK O. HATFIELD.
JESSE HELMS.

EXHIBIT NO. 49

98th Congress
2d Session

HOUSE OF REPRESENTATIVES

Rept. 98-891
Volume 1

IN THE MATTER OF REPRESENTATIVE GEORGE V. HANSEN

July 19, 1984.—Referred to the House Calendar and ordered to be printed

Mr. Stokes, from the Committee on Standards of Official Conduct, submitted the following

REPORT

The House Committee on Standards of Official Conduct submits this Report to the House of Representatives to summarize its proceedings in the Committee's investigation of Representative George V. Hansen in support of its recommendation, pursuant to Article I, Section 5, Clause 2 of the United States Constitution and Rules 14, 16, and 17 of the Committee's Rules, that Representative Hansen be reprimanded by the House.

A. PROCEDURAL HISTORY

On April 7, 1983, Representative George V. Hansen of Idaho was indicted by a federal grand jury in the United States District Court for the District of Columbia charging four counts of filing statements in violation of 18 U.S.C. § 1001 based on his financial disclosure statements under the Ethics In Government Act ("EIGA"). After the Congressman's motions to dismiss the indictment were denied and such denial was affirmed on appeal, a trial began in March, 1984. On April 2, 1984, after a 10-day trial, the jury in the case returned a verdict of guilty on all four counts.*

Following the verdict, pursuant to Rule 14 of the Committee's rules, the Committee commenced a preliminary inquiry into whether any of the offenses for which Congressman Hansen was convicted constituted a violation over which the Committee had jurisdiction under House Rule X, cl. 4(e)(1) of the Rules of the House of Representatives. The Committee advised Congressman Hansen of its action by letter dated April 4, 1984. On April 5, 1984 the committee appointed Special Counsel, who immediately commenced review of the full trial transcript and exhibits, the pre- and post-trial motions and memoranda, as well as correspondence and submissions from Congressman Hansen's counsel. In addition, Special Counsel met with respondent's counsel on a number of occasions and engaged in numerous telephone conversations respecting various aspects of the case, the Committee's procedure, and the scope of the preliminary inquiry.

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*The transcript of trial proceedings is contained in Part 2 of [illegible] report.

On April 18, 1984, Special Counsel contacted counsel to Congressman Hansen to advise them that, pursuant to Rule 11(a)(2)(A) of the Committee Rules, the Congressman would have the right to present a written or oral statement with respect to the subject matter of the preliminary inquiry and requesting that counsel designate relevant portions of the trial transcript as the Committee's record in the matter.

On May 17, 1984, Congressman Hansen appeared personally before the Committee to give a sworn statement and respond to questions from Members and Special Counsel. During the May 17 hearing, the Congressman's counsel also was given an opportunity to address the Committee and respond to inquiries. At this same time, counsel for respondent and Special Counsel stipulated that the trial transcript and exhibits obtained by the Committee would be considered true and accurate copies so that the Committee need not await certification of the trial transcript to make it part of the Committee record. Following this hearing, Special Counsel prepared a report upon completion of the preliminary inquiry which was submitted to the Committee on June 12, 1984.

On June 14, 1984, the Committee, after consideration of Special Counsel's report and the record of the entire case, adopted by a vote of 10–0 a resolution as follows:

> Pursuant to Rule 14 of the Committee's Rules, the Committee, having reviewed the evidence relating to the conviction of Representative George V. Hansen in the United States District Court for the District of Columbia for offenses of violating Section 1001 of Title 18 of the United States Code; and upon consideration of the Report of Special Counsel Upon Completion of Preliminary Inquiry filed June 12, 1984 and all relevant evidence, including the exhibits and record herein, now determines that the evidence of his failure to file a complete disclosure constitutes violations of rules over which the Committee is given jurisdiction under Clause 4(e) of Rule X of the rules of the House of Representatives, including House Rule XLIV, XLIII cls. 1, 4, 7, and it is hereby:
>
> *Resolved*, That the Committee shall proceed promptly to hold a disciplinary hearing for the sole purpose of determining what sanction to recommend that the House of Representatives impose on Representative Hansen for these offenses and violations; and that it be further
>
> *Resolved*, That Representative Hansen and his counsel shall be promptly advised of this action and informed of the Member's rights pursuant to the Rules of this Committee, and that it be further
>
> *Resolved*, That the Special Counsel's report in this matter be made public after service upon Representative Hansen and his counsel.

Congressman Hansen and his counsel were advised that day of the Committee's action, and a disciplinary hearing was scheduled for June 20, 1984 at 10:00 A.M. Pursuant to Committee Rules 14, 16, 17, the sole purpose for the disciplinary hearing was to determine what sanction, if any, to recommend to the House. On June 15, 1984 counsel for Congressman Hansen requested that the Committee reconsider its June 14, 1984 Resolution, reopen its proceedings and take additional testimony including testimony from staff. By letter dated June 19, 1984 the Committee denied that request. Special Counsel submitted their recommendation, as required by Rule 16, as to the sanction the Committee should recommend to the House. On June 20, 1984 the Committee held a disciplinary hearing and heard both from Congressman Hansen and his counsel. Special Counsel was also heard on the recommendation, and the questioning by Members of the Committee was directed to both sides. By a vote of 11 to 1, the Committee passed the following resolution:

> *Resolved*, That after consideration of the original trial evidence in federal court, the Committee finds that Representative George V. Hansen is in violation of Rule XLIV and recommends that he be reprimanded.

B. BRIEF SUMMARY OF CASE

As described in detail in Special Counsel's Report on the Completion of the Preliminary Inquiry, Congressman Hansen's indictment and conviction for filing false statements were based on the financial disclosure forms required under the Ethics in Government Act ("EIGA"). The transactions involved were a loan of $50,000 by a Dallas bank to Mrs. Hansen, the pay-off of that loan by Nelson Bunker Hunt, Mrs. Hansen's receipt of $87,000 from a silver commodities transaction, and loans of $135,000 to the Congressman from three Virginia men.

Congressman Hansen did not deny failing to report the financial transactions involved in the indictment. Rather, he contended that he justifiably relied on the advice of counsel and the House Select Committee on Ethics in determining not to report these transactions. It is the Committee's view that the legal advice defense was not supported by the evidence at trial or upon review of the facts.

As more extensively discussed in the Special Counsel's report, to rely on advice of counsel (and the analogous reliance on advice from the Committee), the advice must be sought in good faith, all material facts must be given to the attorney and the person seeking advice must then follow the advice given.

The Committee concluded that the Congressman failed all three tests in requesting the advice with prejudice toward nondisclosure, in not following that advice by keeping the Committee "totally advised" of the facts, as instructed by his attorney, and by failing to tell his attorneys material facts on which they based their advice.

At the June 20 hearing both Congressman Hansen and his attorney asserted that the correspondence from the House Select Committee on Ethics, including a June 15, 1978 draft letter to Congressman Hansen which was never finalized, supported his defense and might even cause him to file for a new trial. Putting aside the fact that the correspondence was ruled to be beyond the court's reach because of the Speech and Debate Clause, the Committee's view and that of Congressman Hansen's is totally opposite. The Committee concluded that Congressman Hansen's witnesses at trial and Congressman Hansen at the Committee implied that the House Ethics Committee never responded to the Congressman's request for advice. The letters which were found indicate that the Select Committee on Ethics and its staff gave the Congressman and/or his attorneys advice that the Congressman's filings were incomplete. Despite Congressman Hansen's recent assertions to the contrary, the evidence contemporaneous with the letters in question clearly indicate that the Congressman himself or his attorney was aware of the contents of the letters. This conclusion results from the fact that the Congressman's attorney called the staff to argue about the contents of the correspondence and from the fact that a staff memorandum written at the time confirms the fact that the letter was sent and received. The Congressman's attempt to explain why he continued not to file complete financial statements does not conform with the actual evidence which was uncovered.

C. RECOMMENDATION

The Committee took two separate and independent actions in this matter. On June 14, it unanimously found that Congressman Hansen's conduct violated House of Representatives Rules governing standards of conduct. These related to financial disclosure, failing to reflect creditably on the House and others. A week later, on June 20, the Committee then voted 11 to 1 to recommend that Congressman Hansen be reprimanded for his violations of House Rule XLIV. The recommendation of discipline was predicated on Rule XLIV, the financial disclosure rule, because that was the basis of his conviction. The adoption of this report by the House shall constitute such a reprimand.

Accordingly, the Committee recommends that the House adopt a resolution in the following form:

HOUSE RESOLUTION

> *Resolved,* That the House of Representatives adopt the report by the Committee on Standards of Official Conduct dated July 19, 1984, in the matter of Representative George V. Hansen of Idaho.

This report was approved by the Committee on Standards of Official Conduct on June 28, 1984 by a vote of 9 yeas, 0 nays.

STATEMENT UNDER RULE XI CLAUSE 2(l)(3)(A) OF THE RULES OF THE HOUSE OF REPRESENTATIVES

The Committee made no special oversight findings on this resolution.

REPORT OF SPECIAL COUNSEL

UPON COMPLETION OF PRELIMINARY INQUIRY

REPORT OF SPECIAL COUNSEL UPON COMPLETION OF PRELIMINARY INQUIRY

On April 4, 1984, pursuant to Rule 14 of the Rules of the Committee on Standards of Official Conduct, this Committee commenced a preliminary inquiry into whether any of the offenses for which Representative George V. Hansen was convicted on April 2, 1984, constituted a violation over which the Committee has jurisdiction. Attached to this report are copies of the documentary evidence received in the preliminary inquiry, including: relevant portions of the transcript of Congressman Hansen's trial on charges of violating 18 U.S.C. § 1001; relevent trial exhibits; selected correspondence and submissions from Congressman Hansen's counsel to the Committee and a transcript of the oral testimony of Congressman Hansen given before the Committee on May 17, 1984.[1]

1. THE INDICTMENT

On April 7, 1983, Congressman Hansen was indicted by a Federal Grand Jury in the District of Columbia. The indictment charged him with four counts of filing false statements in violations of 18 U.S.C. § 1001 based on his financial disclosure filings under the Ethics in Government Act. The four counts involved (1) excluding personal loans of a total of $135,000 from Carl McAfee, Odell Rodgers and John Meade in 1982, (2) excluding his wife's indebtedness of $61,503.42 to Nelson Bunker Hunt in 1981, (3) excluding his wife's profit of $87,475 from silver transactions in 1980 and (4) excluding his wife's indebtedness of $50,000 to a Dallas bank in 1979 (Tr. 1944–1950).[2]

2. SUMMARY OF THE EVIDENCE

A. Hansens' Financial Relationship

Starting in 1976, over concerns about their financial condition, Congressman George V. Hansen and his wife Connie started to devise means by which they could raise funds to pay back debts that they owed (Tr. 1014). The plan devised was for the Congressman to solicit funds of $100 or less from individuals outside his congressional district and to apply those funds to his personal debts (Tr. 1021–1023). After consultations with his personal attorney John L. Runft, Congressman Hansen wrote to the Federal Election Commission ("FEC") and advised it of his solicitation plan (Def.Ex. 30; Tr. 1017). On March 30, 1977 the FEC wrote to the Congressman (Def.Ex. 32) stating that the Federal Election Campaign Act of 1971 "would not apply" to the plan as proposed. The FEC went on to state:

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[1] "Relevancy" was determined as follows: Special Counsel designated those portions of the trial transcript and those trial exhibits they thought were relevant to the Committee's consideration. By letter dated April 18, 1984, Congressman Hansen's counsel was given the opportunity to cross-designate. Congressman Hansen's attorneys took advantage of this invitation and worked out those portions of the transcript and those exhibits which they wanted included. Thereafter, on May 17, 1984, Special Counsel and Congressman Hansen's attorney entered into a stipulation agreeing that the portions and exhibits agreed upon were those which were relevant to the Committee's consideration.

[2] "Tr." references are to the trial transcript, attached as an appendix hereto.

> The Commission's conclusion that the described plan is not within the Act should not be construed as Commission endorsement or approval of the plan; . . . The Commission also notes the possible application of the Rules of the House of Representatives to this situation . . .

(Def.Ex. 32). Prior to receiving the FEC's response, Congressman Hansen, on March 14, 1977, sent a letter to the House Select Committee on Ethics ("Ethics Committee") (Def.Ex. 31), advising it of his request to the FEC and asking for the Committee's "comments and suggestions" of the plan (Tr. 1040). On April 5, Congressman Hansen again wrote the House Ethics Committee (Def.Ex. 34) to advise it of the FEC's response and to propose various alternatives—direct mail, independent committee—to the solicitation program (Tr. 1040).

In response to the Congressman's letters, the Ethics Committee, on May 11, 1977, issued Advisory Opinion No. 11 (Def.Ex. 35) concluding that neither a member, his or her spouse or a committee such as the one proposed by Congressman Hansen could solicit funds for the member's "unrestricted personal use" (Tr. 1047). [The Committee's total advice is contained in two Advisory Opinions—No. 11 issued in direct response to Congressman Hansen's March and April inquiries and Advisory Opinion No. 4 issued sometime earlier.]

After receiving this advice, Congressman Hansen again conferred with Mr. Runft to find a "legal and proper way of proceeding forward . . . in a fashion that was open and within the bounds of the law" (Tr. 1048). The alternative agreed upon was a "property settlement agreement" in which Congressman and Mrs. Hansen would give up the automatic, legal rights each had to the other's assets and debts (Tr. 1063). Then, according to this agreement, the debts would be transferred to Mrs. Hansen. Thereafter, Mrs. Hansen could solicit gifts to eradicate what would then be her debts alone (Tr. 1048–1050; Def.Ex. 40). Following the Hansens' agreement, Mrs. Hansen wrote to the Ethics Committee on June 3, 1977 (Def.Ex. 36) stating that Congressman Hansen would abide by the advisory opinions, but she would not let "Congress . . . deprive [her] of the basic rights of a citizen . . . to pay [her] bills and protect [her] home." She went on to say that she and the Congressman had separated their finances "with considerable difficulty" and that she was going to raise funds for what were now her debts.

At the time of the June 1977 letter, the Hansens did not send the Committee an actual copy of the property settlement agreement or provide specific information concerning how they planned to maintain their financial lives (e.g. tax returns, bank accounts, mortgages) in the future. On June 8, Chairman Richardson Preyer, on behalf of the Ethics Committee, wrote to Mrs. Hansen (Def.Ex. 37) stating that the Committee did not intend to deprive her of her civil rights and explained the change in rules prohibiting the kind of solicitations that Congressman Hansen originally had proposed (Tr. 1059).

The property settlement agreement (Def.Ex. 40) was drafted in June and finally executed by the parties on September 30, 1977 (Tr. 1066). In conjunction with the property settlement agreement, the

Hansens also executed three quit-claim deeds (Def.Exs. 75-77) in which the Congressman gave up to Mrs. Hansen his interest in their then existing real property (Tr. 1071-72, 1135-36). Under the terms of the property settlement agreement, Congressman Hansen was given the family's personal debts and obligations, and Mrs. Hansen was given the real property and the debts for which the Hansens originally wanted to solicit funds (Tr. 1122, 1228). As explained by the Congressman's attorneys, under the property settlement, Congressman and Mrs. Hansen did not have to live their financial lives separately (Tr. 1055-60, 1346). It simply dissolved the automatic right each had to the other's assets and liabilities. After the settlement, Congressman and Mrs. Hansen could continue to engage in joint finances, but this would have to be the result of an express decision to do so, as any two people could do. Following this execution, Mrs. Hansen did proceed to collect over $100,000 (Tr. 1074, 1265).

The prosecution cross-examined Mrs. Hansen and others about the claimed debts. The Hansens' two attorneys did not recall the amounts or people to whom the Hansens owed the alleged $372,000 (Tr. 1141-42, 1481-83). Mrs. Hansen too was somewhat vague about the source of the debts claimed (Tr. 1325). The Hansens' trial counsel told the court that there was no documentation of these debts (Tr. 1036), and the Hansens' tax return for the year in which Mrs. Hansen asserted the debts showed $818 in interest deductions for personal loans (Tr. 1270).

The evidence at trial showed that the property settlement was never filed with a court or in a public place (Tr. 1116). Consequently, it neither changed the right of an existing creditor to seek payment from either Hansen, nor did it alter the right of future creditors to do the same thing. After the agreement went into effect, the Hansens continued to live their financial lives together. They maintained joint bank accounts (Tr. 1232); they continued to file joint tax returns in which assets and liabilities of each spouse were declared for the benefit of both (Tr. 1233); they continued to own and purchase cars in both their names (Tr. 478, 1234, 1237-38); and they even continued to hold, buy and sell real estate in both their names (Tr. 478, 1241, 1229, 1261-64). The prosecution showed, for example, that one of the properties for which Congressman Hansen had executed a quit-claim deed in conjunction with the property settlement, was subsequently sold by the Hansens in both names (Tr. 1261-64) and was declared jointly in their taxes that year (Tr. 1264). Mrs. Hansen acknowledged that some financial statements for years after the property settlement went into effect also showed joint assets and liabilities (Tr. 1253-57). Mrs. Hansen also stated at the trial that it was possible that some of the $100,000 which had been raised by her solicitations had been spent by the Congressman or had been spent for his benefit (Tr. 1267-81). Bank records revealed that on July 11, 1977 a sum of $4,700 was in fact transferred from the solicitation account to the Hansens' joint account (Govt.Exh. 72; Tr. 1281).

B. Nelson Bunker Hunt Loan

Congressman and Mrs. Hansen met Nelson Bunker Hunt in 1976 at a social reception (Tr. 81, 1196). The Congressman took Mr.

Hunt aside at this dinner and asked him for money to help him with debts resulting from legal bills and political fights (Tr. 82). Mr. Hunt said he was sympathetic to the Hansens but that he did not want to just "reach into his pocket" to make a contribution (Tr. 82). Instead, Hunt told the Congressman that he would help him make some money on his own. After additional thought, Hunt thought that helping the Congressman directly "might not look good," "might be suspicious" and might "be a problem" (Tr. 84). Congressman Hansen told Hunt that he and Mrs. Hansen were separating their finances and Hunt could help by helping Mrs. Hansen (Tr. 97). At the time of this conversation, the Hansens' separation agreement had not yet been executed, but it had been discussed and agreed upon in principle between Mr. and Mrs. Hansen (Tr. 85). Mr. Hunt's plan was to pass on to Mrs. Hansen when "he heard of a good stock investment or perhaps a good commodity investment or something" (Tr. 97). Mrs. Hansen described this arrangement as follows: ". . . [I]f you give a person a fish and he'll eat for a day, but you teach him to fish and he'll eat for his life . . ." (Tr. 1197).

Pursuant to that agreement, Mr. Hunt did call Mrs. Hansen and told her to get in touch with a commodities broker in Chicago named Owen H. Nichols (Tr. 99, 1198) in order to place an order for soybeans futures. On April 20, 1977 Hunt called Nichols and purchased a large quantity of soybean contracts (Tr. 189). In total, 250,000 bushels of soybeans were purchased at a total paper value of $2,489,700 (Tr. 191).[3] Later on April 20, 1977 Hunt again called Nichols. This time he told him to transfer the 250,000 bushels into a new account for Mrs. Hansen. These same bushels were sold later that day, netting a profit of $51,775.00 (Tr. 197). Mr. Nichols did not talk with Mrs. Hansen about the transaction until after the market had closed and the profit made in her name (Tr. 200). Following April 20, another soybean transaction was made by Mr. Nichols on Mrs. Hansen's behalf (Tr. 204). This one, involving 100,000 bushels with a paper value of $1,046,000, resulted in a minor loss of $410 (Tr. 205). Again Mr. Nichols made these transactions on the advice of Mr. Hunt. Finally, on April 25, 1977, Mr. Nichols bought 200,000 more bushels of soybeans on Mrs. Hansen's account (Tr. 206). These bushels, worth $2,050,000, were sold on April 29, resulting in a loss of $85,220 (Tr. 208). All of the transactions, then, produced a $33,855 loss to Mrs. Hansen (Tr. 208).

When Mr. Hunt heard of the loss, he telephoned Mrs. Hansen (Tr. 101) and then arranged for her to come to Dallas in order to arrange for a loan to pay her loss (Tr. 101, 1200). On May 27, 1977 an aide to Mr. Hunt called Sam Henry, a Senior Vice President at the First National Bank of Dallas, to arrange for a loan for Mrs. Hansen (Tr. 259). On the same day, Mrs. Hansen came to the bank and signed the necessary papers and received a cashier's check for $50,000 (Tr. 259-60). Mrs. Hansen told the bank and put down on the loan papers that the $50,000 was for "personal expenses" (Tr.

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[3] Commodities transactions have a certain "paper" value, that is the total value of the commodity if it was kept and delivered at its future date. This "paper" value has significance only when the purchaser actually wants to take delivery or if the value of the commodity plummets dramatically. In the latter case, the paper value would define the upper limits of the risk.

262). Hunt co-signed the $50,000 loan from the First National Bank of Dallas to Mrs. Hansen (Tr. 101). The $50,000 check was endorsed by both Congressman and Mrs. Hansen, deposited in one of their joint accounts, and used by both for personal expenses (Tr. 292-300). Mrs. Hansen paid the $33,855 soybean loss with a $40,000 check (Tr. 1287).

Mrs. Hansen executed notes to Mr. Hunt on October 26, 1978 (for $3,107) and on June 3, 1980 (for $61,503) (Tr. 109-110). These notes have not yet been paid (Tr. 975). On the ninety-day periods on which interest for the note was due, the bank sent notices to Mrs. Hansen (Tr. 265). No interest was paid, and after a second notice, Congressman Hansen called the bank and told them that a check for the accrued interest would be sent (Tr. 267). Thereafter, Mr. Hunt arranged for the payment of the interest to date (Tr. 268). In November 28, 1978, the one year note was extended for another year, again with Mr. Hunt's guarantee (Tr. 270). The actual renewal occurred in January 1980 and was backdated at that point because that is when the interest was paid and the loan was current (Tr. 271). Before the loan was ultimately paid by Mr. Hunt in June 1980, the bank contacted Congressman Hansen on a few other occasions about the loan interest payments (Govt. Ex. 20-22) (Tr. 275).

Mrs. Hansen ultimately did not pay the Dallas bank for the note and the bank, on June 3, 1980, turned to Mr. Hunt for collection. Hunt paid the bank $61,503.42 representing principal and interest on the loan (Tr. 104, 275).

There was no dispute that the $50,000 Dallas loan extension, the payments by Nelson Bunker Hunt and the notes to Mr. Hunt were not included in Congressman Hansen's financial disclosure forms for 1978 through 1980.

C. Silver Transaction Profits

In November 1978, Congressman Hansen was re-elected. In January 1979, Mr. Hunt called Mrs. Hansen again (Tr. 114, 1206). Mr. Hunt, aware of Mrs. Hansen's loss from the soybean transaction, now recommended that she consider investing in silver (Tr. 114, 1206). He advised her to contact his silver broker, Les Ming, who worked in a commodities firm in Oklahoma City. Ninety percent of Ming's business was for Hunt and his family (Tr. 312). Mr. Ming's job was to evaluate the silver market and call Mr. Hunt to make a recommendation concerning possible investments (Tr. 315). On January 16, 1979, Messrs. Hunt and Ming exchanged a number of telephone calls. During one of these calls, Mr. Hunt said that he "had a friend, George Hansen, who may be interested in silver" (Tr. 332). Mr. Hunt identified Mr. Hansen as a U.S. Congressman and told Ming to offer Hansen Hunt's silver contracts (Tr. 323). On January 16, Ming purchased 125 silver contracts, each of which contained 5000 ounces of silver with a paper value of $3,876,800 (Tr. 379).

After the silver purchases had been made, Mr. Ming called Congressman Hansen pursuant to Hunt's suggestion (Tr. 340). Eventually Ming spoke with Connie Hansen (Tr. 343). After Ming and Mrs. Hansen talked, Mr. Ming arranged for the contracts to be put in Mrs. Hansen's name (Tr. 365). On January 18, Ming sold the 125 contracts for Mrs. Hansen for a net profit of $87,000 (Tr. 371). The record differs as to who made the decision to sell. Ming says he and Mrs. Hansen did (Tr. 370); Hunt says he did (Tr. 115), and Mrs. Hansen said she left the decision totally to Ming (Tr. 1207).

In order to collect the profit, Mrs. Hansen first had to produce a certain percentage of the money required to buy the contract—called the margin (Tr. 1208). This amounted to $1000 a contract or $125,000. Congressman Hansen made the arrangements for the margin payment (Tr. 419). He called his accountant and campaign treasurer C. Lee Caldwell and told him that he needed his help in a commodities transaction for Mrs. Hansen (Tr. 420). Congressman Hansen told Mr. Caldwell to write a check for $125,000 from an account in which there was some $292 (Tr. 421), to take that to another Idaho bank, and that bank would wire the money to the commodities house to cover the transaction (Tr. 424). The $125,000 and the $87,000 profit would then be re-wired to the second bank, and the first would be re-paid (Tr. 446).

The $87,000 was deposited in Congressman and Mrs. Hansen's joint account (Tr. 1211, 1292). Congressman Hansen stipulated at trial that the entire $87,000 was used by him with knowledge that it was the profit for the 1979 silver transaction (Tr. 1293).

There was no dispute that neither the $87,000 profit nor the $125,000 short margin loan was reported in Congressman Hansen's financial disclosure forms covering 1979.

D. Loans from Virginia Businessmen

In late 1979 or early 1980 Congressman Hansen met Carl McAfee, an attorney from Norton, Virginia (Tr. 508). Mr. McAfee was representing the family of one of the Iranian hostages, and Congressman Hansen was active in the Iranian crisis (Tr. 509). Mr. McAfee was a business partner of an Arthur Odell Rodgers and represented Mr. John Meade, a former Virginia banker who was convicted of various bank fraud charges in 1982 (Tr. 510–11).

Congressman Hansen told Mr. McAfee of his debts and asked him for some money (Tr. 512). While he asked for a larger amount, McAfee agreed to lend the Congressman $25,000 and did so on July 20, 1981. In return for the loan, the Congressman gave Mr. McAfee a note, payable on demand by July 17, 1982 (Tr. 516). Mr. McAfee and his business partner, Odell Rodgers, borrowed a like $25,000 from Miners & Merchant Bank (Tr. 518). Miners & Merchants Bank, in turn, was the institution at which McAfee's client John Meade was president. Congressman Hansen deposited the $25,000 in his own account (Tr. 515). On August 14, 1981, McAfee made another loan to Congressman Hansen, this time in the amount of $60,000 (Tr. 524). McAfee testified that he recalled that Congressman Hansen said that the purpose of the two loans was for the congressman to promote a book he had written (Tr. 525). Again Congressman Hansen wrote a note for the loan payable this time on August 14, 1982 (Tr. 526). Also, as with the $25,000, McAfee and Rogers themselves took a like $60,000 loan from Meade's bank to cover the loan they made to Hansen (Tr. 529). McAfee testified that these two loans were paid back after the FBI contacted them about Congressman Hansen and after they reported that contact to Hansen himself (Tr. 532, 555). The $60,000 was paid back in August, 1982 after the FBI contacted McAfee about an investigation into the workings of the bank (Tr. 555). The $25,000 was paid back on June 16, 1983 after the Congressman's indictment (Tr. 556, 882, 897).

At around the same time of the loans, Messrs. McAfee, Rogers and Meade were involved in a plan to develop a hydrogen powered automobile (Tr. 559). During the course of these men's plans, they contacted Congressman Hansen to have him set up an appointment with the Secretary of the Army about the car (Tr. 564). They wanted to get the Army to determine whether the hydrogen car was feasible, and the meeting with the Secretary was to try and persuade him to send engineers to Australia and verify the workability of the car (Tr. 565). Even though Mr. McAfee was an acquaintance of the Secretary of the Army, he nevertheless sought the appointment through Congressman Hansen because "he could get it faster" (Tr. 565). A meeting was set up, and Congressman Hansen accompanied Messrs. McAfee, Rodgers and Meade to it. Shortly after it started, both Congressman Hansen and the Secretary left (Tr. 566-67). Evidence showed that Congressman Hansen deposited the first $25,000 on the same day that Messrs. McAfee and Rodgers came to Washington and met with the Congressman and the Army personnel. Mr. Meade described the reason for seeking Hansen's involvement with the Army was the need to convince the Army to become involved with the project (Tr. 704). Mr. Meade also testified that he might have thought to use Congressman Hansen to see if he could not convince the Army to send personnel to Australia to look at the car (Tr. 722). In addition, Congressman Hansen called Pentagon officials on October 15, 1981 to urge Army investigation of the car (Tr. 854).

In November, 1981 Congressman Hansen called Meade directly to ask him for additional money. Mr. Meade testifed that he recalled the money also was to promote the Congressman's book (Tr. 685). Pursuant to that conversation, Meade did lend Hansen another $50,000 for a note executed on November 21, 1981 (Tr. 684-85). In contrast to the McAfee loans, Meade's was payable on demand, with no specific date or level of interest specified (Tr. 689). The $50,000 was paid back early in 1984, soon before the Congressman's trial (Tr. 690). Mr. Meade's conviction was for "misapplication of bank funds, false entries and making false statements in order to get a loan" (Tr. 659).

Congressman Hansen did not pay the interest due on the notes for some time. The first time interest was due, Meade and Rodgers paid one-third each; the remainder was paid by someone else (Tr. 653-56, 670-76). Congressman Hansen first paid interest on the loan on April 14, 1983, after Meade and his bank were under investigation (Tr. 659-60).

It is not disputed that the McAfee, Rodgers or Meade loans of $135,000 were not included in Congressman Hansen's financial disclosure reports for 1981.

E. Blackmail Attempt of Hunt

The government first became aware of the Congressman's various financial transactions because of a blackmail attempt that was made on Nelson Bunker Hunt.

On March 31, 1981, Mr. Hunt received an anonymous letter from a person who charged that "During January of 1979 you gave $87,000 to Rep. George Hansen of Idaho" (Def.Ex. 2; Tr. 133). The letter went on in great detail describing how the 1979 silver transaction had been done and how the $125,000 margin payment had been arranged. The blackmailer alleged that the payment was made "to secure Rep. Hansen's support in your bid for a large silver mine in Idaho." The letter asked that, in return for silence, Mr. Hunt make a $440,000 loan in 120 days by depositing some of the money into a Caribbean bank account. When Mr. Hunt received the letter, he called one of his attorneys, Ivan Irwin (Tr. 138). Hunt and Irwin discussed whether the letter was from a "crank" (Tr. 139). Mr. Hunt then called Congressman Hansen about the letter, and Hunt testified that the Congressman said that the matter had to be reported "to the Attorney General or the Justice Department" (Tr. 140). On April 1, the day after the letter was received, Mr. Hunt's attorney flew to Washington to meet with Congressmen Hansen (Tr. 944). Mr. Irwin returned to Dallas to confer with Mr. Hunt (Tr. 950) and also spoke with Congressman Hansen on the telephone (Tr. 951). Irwin testified that Congressman Hansen again said that the matter should be reported to the Justice Department. On April 3, Hunt, Irwin and the Congressman spoke again (Tr. 953). April 3 was a Friday, and on the following Monday, April 6, Congressman Hansen, Mr. Runft, Mr. Irwin and Mr. McKenna went to see officials in the Justice Department to report the blackmail letter (Tr., 958). Later on April 6, Congressman Hansen was first called and then visited by FBI agents who took statements concerning the transactions surrounding the blackmail letter (Tr. 964). Ultimately, the letter was traced to Arthur Emens, an employee of Mr. Ming, the commodities broker who had handled the silver transaction (Tr. 384). This employee pleaded guilty to a misdemeanor blackmail charge and was sentenced to a fine and community service (Tr. 1466).

At the time of the blackmail incident, Mrs. Hansen still owed Mr. Hunt money. Hunt's attorney testified that Mr. Hunt told him that when he went to Washington to meet with Congressman Hansen, to "either come back with some money from the Hansens or . . . come back with some fresh notes to evidence the indebtedness of Mrs. Hansen resulting from Mr. Hunt's payoff of the First National Bank in Dallas" (Tr. 961). Pursuant to Hunt's orders, Irwin did receive two new notes from Mrs. Hansen (Tr. 961). The notes were backdated to reflect the interest payment Mr. Hunt had made prior to assuming the $50,000 debt and another for the amount then owing on principal and interest (Tr. 961).

3. CONGRESSMAN HANSEN'S DEFENSE

Congressman Hansen's defense at trial consisted of a few parts. With respect to the Dallas loan of $50,000 and the various silver transactions, the Congressman stated that (1) these were his wife's loans and transactions, (2) he and his wife had executed a property settlement agreement whereby their financial lives were separate, (3) as a result of that agreement he was advised by legal counsel that he did not have to report his wife's affairs as part of the disclosure required by either the House rules or EIGA and (4) he kept the appropriate House committee informed of his practices and it acquiesced to them. With respect to the Virginia loans, the Congressman's position was (1) that the money was borrowed for the nonprofit tax reform organization with which he was affiliated, (2) the money borrowed was spent for that organization and (3) he was advised by his counsel that he did not have to report those loans.

A. John Runft's Advice

For part of the legal advice on which he relied, Congressman Hansen turned to John L. Runft, his personal attorney from Boise, Idaho with whom he dealt since 1974 (Tr. 1013). Mr. Runft wrote the letters Congressman Hansen sent to the FEC seeking approval of his solicitation plan (Tr. 1022). After the advisory opinions prohibited the solicitation, it was Mr. Runft who devised the plan in which the family debts, shared by Congressman and Mrs. Hansen, would all be transferred to Mrs. Hansen through a property settlement, enabling her to solicit funds because they would now be exclusively hers (Tr. 1016, 1048–50).

In the spring/summer of 1978, Mr. Runft also was consulted about the effect of the Hansen's property settlement on the existing financial reporting requirement of the House rules (Tr. 1077). In his 1978 financial report, Congressman Hansen had not listed any of Mrs. Hansen's debts (Tr. 1079). Newspaper articles reported this omission and Congressman Hansen solicited Mr. Runft's advice (Tr. 1079). Mr. Runft said that he told Congressman Hansen "to get in contact with the Ethics Committee again and make sure that everything is known and above aboard" (Tr. 1079). Mr. Runft further advised the Congressman that, under House Rule XLIV, there was no need to report Mrs. Hansen's financial activities and that the House Ethics Committee had the obligation to notify Congressman Hansen if "he was wrong in any way" (Tr. 1080). Accordingly, on May 9, 1978, Congressman Hansen again wrote to the House Ethics Committee (Def. Ex. 38). His letter initially was prompted by and recounted the newspaper articles apparently quoting a member of the Standards Committee staff criticizing Congressman Hansen's financial filing statements. Congressman Hansen then recapitulated the procedure he had gone through to receive FEC and Committee advice concerning soliciting funds and the property settlement he made with his wife. Then, referring to Advisory Opinion No. 12, issued by the House Ethics Committee in December, 1977, the Congressman concluded that his property settlement put Mrs. Hansen in the category of spouses who were not in the "constructive control" of the member and whose transactions did not have to be reported. Finally, after restating what he had done in the past and his decision not to report, the Congressman stated:

> I am confident that my filing, done carefully with the advice of counsel, is completely in accord with the appropriate Rules of the House and in accord with the course of action of which we have kept your office completely advised. At this time I respectively request confirmation of the validity of my report.

(Def. Ex. 38; Tr. 1398). Two days later, Mrs. Hansen sent another letter prepared by Mr. Runft to the Ethics Committee advising it of the property settlement and her decision not to include her transactions on the Congressman's report (Def. Ex. 39; Tr. 1081). She too declared herself not to be under the Congressman's "constructive control." [Evidence about whether and what the Ethics Committee responded to Congressman Hansen was not available to the prosecutors and outside the scope of trial because of the Speech and Debate Clause. As it turns out, Special Counsel has uncovered several documents which confirm that the Committee and/or its staff did respond. These documents, which contradict one of the implications of the Congressman's defense, are referred to and summarized in Section 5 of this Report.]

Following these incidents, Congress passed the Ethics in Government Act of 1978 ("EIGA"). The Act *inter alia,* codified as to Congress and other government officials the reporting requirements which used to be contained in congressional and agency rules. After passage of the Act, Congressman Hansen asked Mr. Runft whether the Act changed his reporting responsibilities (Tr. 1083). Mr. Runft explained the request as follows: "Congressman Hansen asked me . . . , under the new Act, was there a reasonable interpretation available under the Act that would allow [him] to continue not to report Mrs. Hansen's income under that Act" (Tr. 1984). Mr. Runft researched the purpose of the Act and concluded:

> My conclusion . . . consists of two parts. First, I believed or I concluded that in light of the property settlement agreement, . . . that a reasonable interpretation of the Act, particularly Section 702(d)(2) would allow the Congressman not to file information concerning wife's income.
>
> The second part of my opinion was that this was a new Act, just passed. It had not been interpreted yet, and that the provisions . . . of the Act required that the designated Committee, which was the Select Committee on Official Conduct [sic] of the House of the Representatives, was required to review these reports and to set up a procedure whereby the Committee would determine whether the reports were correct, whether they were complete and whether they were in proper form and advise the Congressman if they were not.

(Tr. 1086-87). Congressman Hansen accepted this advice and continued not to report Mrs. Hansen's assets or debts. Section 702, on which Mr. Runft relied for his advice, states that no report is required with respect to a spouse "living separate and apart from the reporting individual with the intent of terminating the marriage or providing for permanent separation . . ." (Tr. 1151). Mr. Runft read that exception to include the Hansens, even though they were not separated or living apart or contemplating divorce, because they had executed a property settlement agreement (Tr. 1152). Under cross-examination, Mr. Runft testified that, despite his general advice, he did not recall giving the Hansens specific advice concerning the reporting of the $50,000 Dallas loan (Tr. 1162). He further stated that he did not know about a number of Congressman's and Mrs. Hansen's financial transactions, including the fact that Congressman Hansen spent the $87,000 silver profit (Tr. 1162).

B. Jim McKenna's Advice

In addition to Mr. Runft, Congressman Hansen consulted with Jim McKenna about his financial disclosure requirements (Tr. 1340). At the time of soliciting the first advice in May 1978, Mr. McKenna was not yet on the Congressman's staff, but was close to the Congressman and worked for a public interest law firm in Washington (Tr. 1336-38). Mr. McKenna stated that he looked at the applicable House rules and the correspondence between Congressman Hansen and the Ethics Committee, and confirmed Mr. Runft's opinion that, under the House rules, Congressman Hansen did not have to report his wife's assets and liabilities (Tr. 1342). After he joined the staff, Mr. McKenna testified that he had a number of conversations with Ethics Committee staff about the existence of the Hansen's property settlement agreement and the Hansen's decision not to report Mrs. Hansen's activities (Tr. 1348). [Again, correspondence back to Congressman Hansen and staff version of the conversations were unavailable at trial because of congressional immunit. l Counsel has interviewed some members and staff of the then Ethics Committee. The correspondence which documents the Committee's actual response to Congressman Hansen and the staffs' different recollection of the conversations with Mr. McKenna are summarized in Section 5 of the Report.]

After EIGA was passed, Mr. McKenna also was asked to advise Congressman Hansen concerning the reporting requirement (Tr. 1349). Mr. McKenna concluded that, given the property settlement agreement, reporting Mrs. Hansen's situation was not required and actually would violate her right to privacy (Tr. 1350). McKenna based his decision on the fact that the Hansens repeatedly had told the Committee of their agreement and his interpretation that the purpose of EIGA was to include only those spouses whose finances had not been separated, as were the Hansens (Tr. 1351).

Mr. McKenna also testified that he was extensively involved with the Congressman's establishment and involvement in the Association of Concerned Taxpayers ("A.C.T."), a tax reform association which sought membership and funds through a direct mail effort (Tr. 1369-80). McKenna said that Congressman Hansen spent over $135,000 for that organization (Tr. 1410). Finally, McKenna stated that two days before the 1982 EIGA report was due, Congressman Hansen told him that some of the funds used by him for the organization resulted from loans made to him by Messrs. McAfee, Rodgers and Meade (Tr. 1424). McKenna then stated:

> In view of the promise of confidentiality [made to those people solicited by direct mail], in view of the fact that at that time A.C.T. was acknowledging, and as far as I know still acknowledges, the liability to Mr. Hansen for the funds he advanced, I advised him that it would be prudent to leave it [his loans] off the form in the apprehension that: one, we had promised confidentiality to donors, or to financial supporters in any one of several categories, donors, whatever; that A.C.T. had by that time acknowl-

> edged its obligation; and that in fact the money had been spent as he represented to the lenders.

(Tr. 1425). In other words, McKenna advised Congressman Hansen not to report the $135,000 in loans because the Congressman had borrowed the money for use by A.C.T. and because A.C.T. had been promising confidentiality to any person who it solicited for direct mail contributions. To rebut Mr. McKenna's description of large expenditures over $135,000 on behalf of A.C.T., the prosecution introduced evidence that showed that at a time close in proximity to when Congressman Hansen actually spent $95,000 on behalf of A.C.T., the Congressman obtained $95,000 in new loans from still another Idaho bank (Tr. 1632–39). The government's suggestion was that it was this later $95,000 which was spent on behalf of A.C.T. and the $135,000, or part of it, was spent by Congressman Hansen for something else.

McKenna testified that Congressman Hansen had told him that he [Hansen] had told the lenders [McAfee, Rodgers and Meade] that the loans would be used for A.C.T. (Tr. 1428). He also stated that he never had seen the Hansen's property settlement agreement (Tr. 1475), that he knew nothing about the soybean transaction (Tr. 1497), that he did not know that Congressman Hansen had solicited Bunker Hunt for money (Tr. 1497), that he did not know where the proceeds from the $50,000 Dallas loan had gone or that the Congressman spent some of it (Tr. 1498), that he was not involved with the disclosure of the $87,000 silver profit and that he was not very familiar with the extent of Congressman Hansen's activities on behalf of Messrs. McAfee, Rodgers and Meade (Tr. 1506).[4]

4. THE VERDICT

On April 2, 1984, after a ten-day trial, the jury found Congressman Hansen guilty on all four counts of the indictment (Tr. 1978).

5. CONGRESSMAN HANSEN'S CORRESPONDENCE WITH HOUSE ETHICS COMMITTEE

Correspondence and communications between Congressman Hansen, his attorneys and the House Committees on Ethics and Standards of Official Conduct are particularly important in this case because the Congressman relied on those contacts as part of his trial defense and because the transactions for which he was convicted occurred at a time when House disclosure rules and the law were changing. The significance of this correspondence is outlined by a statement Congressman Hansen's trial attorney made to this Committee on May 17, 1984:

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[4] Special Counsels' consideration of Congressman Hansen's defense assumes that the attorneys called to the stand gave the advice they assert. However, it is possible to question whether events occurred precisely in the way asserted. When Congressman Hansen was interviewed by the FBI about the blackmail letter and asked why he did not report the transactions with Nelson Bunker Hunt, he said that he decided not to do so after extensive discussions with his counsel. However, John Runft said he knew little about that transaction (Tr. 1092), and Jim McKenna directly contradicted the Congressman by stating that he had never discussed that transaction at all (Tr. 1500). In addition, the attorneys' testimony about the May 9, 1978 correspondence to and lack of response from the Ethics Committee, *see* Section 5, *infra*, also bears on the credibility of these witnesses.

> Given those facts, the committee did not, certainly it did not say we need more information, it did not say you must report those things because they are reportable under the Act or House rule.

(May 17 Transcript, at 14.)

Of special importance was Congressman Hansen's May 9, 1978 letter to the Ethics Committee (Def.Ex. 38) complaining of the staff comments to the press and inviting the Committee to confirm that his decision not to report Mrs. Hansen's liabilities was correct. The Congressman based a good deal of his defense at trial and before the Committee on the position that the Committee was made constantly aware of his position and "acquiesced" to it. There also was the implication that the Committee did not respond to the May, 1978 inquiry. This implication was given by:

A. John Runft

Congressman Hansen's Idaho attorney first gave the advice concerning the Committee.

> Q. What was your opinion, Mr. Runft, concerning whether the debts that had been assigned to Mrs. Hansen under the property settlement agreement had to be reported to the House Ethics Committee . . .?
>
> A. My opinion was that under those particular conditions . . . [it] was not an item that needed to be reported . . .
>
> Furthermore, and always along with this advice . . . was the Committee had the authority and duty to review these reports . . . and advise Congressman Hansen if he was wrong in any way. (Tr. 1079-80)
>
> * * * * *
>
> So on that basis, if my decision or my interpretation . . . was wrong, if the Committee were advised of what was being done, *the Committee then had a duty to advise Congressman Hansen that this is not the right way to go.* (Tr. 1087) (emphasis added)

B. Jim McKenna

When the issue of disclosure first arose in May, 1978, Jim McKenna was not yet on the Congressman's staff. He was, however, consulted for his opinion.

> Q. And had you come to any conclusion at that time regarding whether or not Mrs. Hansen's assets and liabilities had to be reported . . . ?
>
> A. Yes, sir it was my opinion based . . . principally and somewhat independently . . . on a *review of the correspondence* that had occurred between the committee and the Hansens with reference to the matter in which the filing were to occur—and I satisfied myself . . . that the wife's assets and liabilities were not subject to report.

(Tr. 1342) (emphasis added). To give this opinion, McKenna stated that he thoroughly reviewed the "entire file of Mr. Hansen's file of correspondence with the then Ethics Committee" (Tr. 1343).

> Q. And included in that file were what kinds of correspondence, what kinds of letters.
>
> A. Well, they were letters from Mr. Hansen, letters from Mrs. Hansen, and my recollection is that *there was very little back, . . .*

(Tr. 1343) (emphasis added). McKenna was further drawn out by the Congressman's trial counsel:

> Q. You testified yesterday that the House Committee on Ethics was advised of the property settlement agreement and then continued to be advised . . .
>
> A. As I testified yesterday, I spoke to staff on this specific issue at least four, and I think five times.
>
> Q. To your knowledge, did Congressman Hansen ever receive a response from Mr. Preyer to this [May 9, 1978] letter asking—which in any way rejected the validity of his report?
>
> A. My personal recollection is no. And I have searched the files, and *we can't find a response.*
>
> Q. So there has been no response to this letter.
>
> A. As far as I know.

(Tr. 1398-99) (emphasis added). Then on cross examination, McKenna again gave the same impression:

> Q. Mr. McKenna, you testified about a May 9, 1978 letter . . .
>
> Q. And the request [in the letter] is "At this time I respectfully request confirmation of the validity of my report."
>
> Now, did you receive a response from the House Ethics Committee, in writing, sir?
>
> A. I did not, and I do not know that the Congressman did.
>
> Q. Did you follow up and request a written response?
>
> A. I thought this was that request.
>
> Q. Did you follow up?
>
> A. Did we make a subsequent one?
>
> Q. Yes.
>
> A. I did not. I do not know whether Mr. Runft did.
>
> Q. Is there a piece of paper, sir, from the House Ethics Committee, anywhere, that represents that Congressman Hansen, prior to the Ethics in Government Act, that he needn't report his wife's assets?
>
> A. A piece of paper?
>
> Q. Yes.
>
> A. I doubt it. *In fact, I think I testified that we had no response from the House,* and I suspect the House had an obligation to us.

(Tr. 1484-85) (emphasis added). On re-direct, McKenna reiterated:

> Q. Mr. Weingarten asked you whether there was even any answer to the letter to Congressman Preyer, and you answered that there was not, to your knowledge. On what basis did you conclude that the House Committee had some obligation to respond?
>
> A. On the basis of the Act itself, . . . having performed the act required under the statute, the Congressman brought that act to the attention of the committee and then subsequently wrote them a letter saying, "I am relying on this state of facts in filing my form, and I ask you to tell me whether I am right or wrong."
>
> I believe they had an affirmative duty to decide right or wrong and tell him at that point.

(Tr. 1525-26). McKenna went on to state that the Committee's response, or lack of it, to the earlier request became one basis for later decisions not to report Mrs. Hansen's transaction because they had "acquiesced" to the Hansens' approach (Tr. 1350).

C. Congressman Hansen

In his statement before this Committee, Congressman Hansen also emphasized the importance of the May 9 letter:

> That conclusion [not to report] was communicated to this committee in language that could not be misunderstood. And I think if you read the letters you will see what I mean . . . but because we had a Property Settlement Agreement and *the Committee knew and acquiesced in the way I was treating Mrs. Hansen's debts and assets after the Agreement.*

(May 14 Transcript, at 45) (emphasis added).

Special Counsel undertook its own review of the correspondence and communications between Congressman Hansen and the Ethics Committee and also interviewed members of the Committee and staff of the time. This review uncovered documents, particularly a June 15, 1978 letter, which contradict the statement or implication that the Committee did not respond to the May 9 letter. The actual chronology of the correspondence is as follows:

—May 9, 1978 Congressman Hansen writes House Ethics Committee complaining of leaks to the press and seeking committee confirmation of his disclosure (Def.Ex. 38)

—May 12, 1978 Committee staff member sends letter of apology to Congressman Hansen and reiterates staffs' view that the disclosure was inadequate (Comm.Ex. 1)[5]

—May 17, 1978 Committee staff writes memorandum to Congressman Preyer and Wiggins advising them of conclusion that Congressman Hansen's disclosure is inadequate (Comm.Ex. 2)

—June 9, 1978 Committee staff send draft letter intended for Congressman Hansen to Congressman Wiggins for his approval (Comm.Ex. 3)

—June 15, 1978 Congressmen Preyer and Wiggins send draft letter and a cover to Congressman Hansen concluding that his disclosure is inadequate; draft encompasses explanation of staff's May 17 memorandum; cover letter solicits any additional information from Congressman Hansen before draft is made final (Comm.Ex. 4)

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[5] "Comm Ex." refers to a document which was not introduced at trial but which has been incorporated into this Report.

After the June 15 letter was sent, one of Congressman Hansen's attorneys, John Runft, visited or called the staff to take issue with the conclusion that had been reached in the draft. This discussion with Runft is memorialized in an August 10, 1978 memorandum to the file (Comm.Ex. 5) written by Don Terry, the staff director with whom Runft talked. There is no written explanation of why the June 15 draft letter was never finalized.

Special Counsel notified Congressman Hansen's attorneys about the correspondence that was found. John Runft stated that he had no recall of any draft or cover letter, but that he now did recall discussing with Don Terry by telephone the staff's conclusions concerning the May 1978 disclosure. Runft's view was that he was able to persuade the staff that they misunderstood the property agreement and its effect on disclosure. The staff has no such recollection and state that they did not change their opinion. On June 5, 1984, Congressman Hansen's trial attorney wrote Special Counsel a letter explaining how the discovery of the Committee's reply only substantiated the defense theory of the case (Comm.Ex. 6).

Don Terry, Roy Dye, Richard Powers and John Swanner, staff of the then Ethics and Standards Committees, confirm that they spoke with Mr. McKenna on a number of occasions. However, it is their recollection that most of these conversations concerned their request for a copy of the property settlement agreement which was promised but never delivered and that they did not "acquiesce" to the Congressman's interpretation.

Of course, the correspondence and statements by the Committee and staff were not available at Congressman Hansen's trial. The prosecutors sought this type of evidence, but were successfully blocked by assertion of the Speech and Debate Clause and the trial court's finding of that privilege. This Committee, however, has access to these internal records and evidence, and they do reveal that, by June 15, 1978, Congressman Hansen and at least one of his attorneys knew that the Ethics Committee staff and Congressmen Preyer and Wiggins did not concur in their judgment about not having to disclose Mrs. Hansen's liabilities. The implication that the Congressman wrote the Committee, asked for guidance and then was not answered, is not substantiated by the evidence and raises the question of whether Messrs. Runft and McKenna forgot or were being less than candid at the trial.

6. CONGRESSMAN HANSEN'S STATEMENT TO THE COMMITTEE

In his statement and answers to questions before this Committee, Congressman Hansen repeated the explanations of the various transactions which had been testified to by other witnesses at his criminal trial. The Congressman also alluded to some of the legal arguments he has been pursuing, especially his contention that the violations of EIGA should not be subject to criminal penalties (May 17 Transcript, at 33).

In addition, calling the past ten years a "tale of terror" (*id.*, at 21), a "horror story" (*id.*, at 39) and a "witch hunt" (*id.*, at 40), Congressman Hansen stated that the EIGA prosecution was nothing more than a political vendetta. He said the vendetta also included IRS leaks of his financial data to his political opponents (*id.*, at 28), the Justice Department condoning prosecutorial misconduct (*id.*, at 40) and the trial judge in his case being partial (*id.*, at 40).

With respect to the property settlement agreement, Congressman Hansen stated ". . . that she [Mrs. Hansen] was an independent individual and she ought to have the right to survive . . ." (*id.*, at 30). Then, with respect to reporting the various transactions, he said it would be "inconsistent" (*id.*, at 35) with the property agreement to report. The basis was ". . . if it is hers, not mine, you don't put it down" (*id.*, at 37).

During his appearance, Congressman Hansen maintained the positions that ". . . we advised the committee, there was no effort to ever hide any of this" (*id.*, at 30-31). Concerning his communications to the House Ethics Committee about the property settlement agreement and about his decision not to report his wife's transactions for 1978, Congressman Hansen said "That conclusion was communicated to this Committee in language that could not be misunderstood . . . the committee knew and acquiesced in the way I was treating Mrs. Hansen's debts and assets after the Agreement" (*id.*, at 45).

Congressman Hansen stated that, to protect his privacy, he did not send a copy of the property agreement to the Committee and that he did not give the Committee specific information concerning how he and Mrs. Hansen continued to maintain their financial lives after the settlement was entered.

In summary, Congressman Hansen stated: "I don't know, maybe there is a time in this government that makes things so convoluted and complex that you get in trouble for being up front and on the table and honest . . ." (*id.*, at 48-49).

7. SPECIAL COUNSEL'S REVIEW AND DISCUSSION

On the basis of this preliminary inquiry, the Committee is required to determine whether "the evidence of such offense[s]," of which Congressman Hansen was convicted, constitute violations "over which the Committee is given jurisdiction." Rule 14, Rules of Procedure, Committee on Standards of Official Conduct. The Rules of the House of Representatives provide that the jurisdiction of the Committee extends to any alleged violation by a member "of the Code of Official Conduct or any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member . . . in the performance of his duties or discharge of his responsibilities." Rule X, cl. 4(e), Rules of the House of Representatives ("House Rules").

Special Counsel submit that a review of the evidence at the trial, the instructions given, the verdict and the information heard or provided to this Committee reveal the possible violation of two separate statutes applicable to his conduct as a member, the Code of

Ethics for Government Service (by prior precedent [6] the Code is an "other standard of conduct applicable to the conduct of" members under House Rule X, cl. 4(e)(1)) and four rules of the House governing conduct by members.

Special Counsel begins with the offenses for which Congressman Hansen was convicted, and then the rules, laws and standards of conduct applicable to a member's conduct which may form an additional basis for the Committee's jurisdiction.

A. Financial Disclosure

During the time period under consideration, Members were required to submit financial information about themselves and their spouses under House Rule XLIV and then also under EIGA. From October, 1977 until January 1979, Rule XLIV required information about spouses assets and liabilities "unless the reporting individual indicates that: (a) he or she neither derives, nor expects to derive, any economic benefit from such interests; and (b) such interests were not obtained in any way from the assets or activities of the reporting individual." Advisory Opinion No. 12, reprinted in Ethics Manual for Members and Employees of the U.S. House of Representatives, 98th Cong., 2d Sess., at 176 (1984). After January, 1979, Rule XLIV was amended to incorporate the provisions and exceptions of EIGA. Under EIGA, a member must include information about the assets and liabilities of a spouse with two exceptions. The first is if a member can show that the item (i) . . . "represents the spouse's . . . sole financial interest . . . and which the reporting individual has no knowledge of, (ii) [spouse's transaction] . . . are not in any way . . . derived from the income, assets or activities of the reporting individual, and (iii) [is one] from which the reporting individual neither derives, nor expects to derive, any financial or economic benefit." 2 U.S.C. § 702(d)(1)(D).[7] The second exception in EIGA, the one relied on by Congressman Hansen's attorneys, excludes information about a spouse "living separate and apart from the reporting individual with the intention of terminating the marriage . . ." 2 U.S.C. § 702(d)(2).

The "evidence" in Congressman Hansen's trial revealed a number of different, potentially reportable transactions or events: (1) the soybean transactions, (2) the original Dallas bank loan, (3) the extension of the Dallas loan, (4) the Hunt pay-off of the Dallas loan, (5) the $125,000 margin loan, (6) the $87,000 silver profit and (7) the $135,000 loans from Messrs. McAfee, Rodgers and Meade. Congressman Hansen's conviction involved (3), (4), (6) and (7), but .

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[6] *See, e.g.*, In The Matter of Representative Daniel J. Flood, H.R. Rep. No. 856, 96th Cong., 2d Sess., at 5 (1980); and In The Matter of Representative John J. McFall, H.R. Rep. No. 1742, 95th Cong., 2d Sess., at 3 (1978); and In the Matter of Raymond J. Lederer, H.R. Rep. No. 110, 97th Cong., 1st Sess., at 118 n.6 (1981).

[7] Prior to the change in Rule XLIV in 1977, a member could exclude information about the assets of a spouse if that spouse was not in the member's "constructive control." That phrase was opined to encompass spouses who had property separation agreements. Advisory Opinion No. 12, supra, at 179. It was this prior rule and interpretation which Congressman Hansen asserted in his May, 1978 letter to the Ethics Committee. The June, 1978 draft reply explained that the "constructive control" test applied only to assets, not liabilities and that it had been superceded in any event (Comm. Ex. 4).

the others occurred when House Rule XLIV, in addition to EIGA, was applicable.[8]

Congressman Hansen did not deny his failure to report these various transactions. Instead, he argued that he was justified in his actions because of his correspondence with the Ethics Committee and the advice he had received from counsel. In other words, to paraphrase the Congressman's explanation, he stated that he had a property agreement with his wife, the Committee knew about that agreement, that agreement made him financially separate from his wife, his attorneys advised him that financially separated spouses are not included in the House Rule or EIGA, and he relied on that advice. It is Special Counsel's view that Congressman Hansen's explanation does not hold up, especially under the "clear and convincing" standard of evidence applicable to Committee proceedings.[9]

To rely on advice of counsel (and the same can be analogized to relying on advice or correspondence from the Committee), Congressman Hansen would have to seek the advice in good faith, provide all material facts and then follow the advice given. *See Williamson* v. *United States,* 207 U.S. 425, 453 (1908). There is evidence that he failed all three requirements.

It is fairly clear that Congressman Hansen approached his attorney with a prejudice toward non-disclosure. His request was not "What does the law require," but "Was there a reasonable interpretation available . . . that would allow [him] to continue *not to report* Mrs. Hansen's income under that Act" (Tr. 1984) (emphasis added). In addition, now that the Committee's response to the Congressman's May 9 letter is known, it would have been far better evidence of good faith to seek further written clarification, especially after new rules were enacted and a new reporting law passed. Congressman Hansen showed that he knew how to seek formal advice from the appropriate Committee, and such a solicitation, rather than reliance on his personal or staff attorney, would have better supported his assertion of good faith. This especially is the case after EIGA was passed because that law specifically provides for advisory opinions which then become absolute defenses to any sanction under the law (Tr. 1599).

Even if he sought legal advice in good faith, Congressman Hansen did not follow that which he was given. With respect to both his advice under House Rule XLIV and EIGA, John Runft said he told the Congressman he did not have to report *and* to keep the Committee totally advised of his decision. The evidence showed that Congressman Hansen did *not* keep the Committee apprised: He sought advice on his solicitation scheme, was turned down and then developed the property settlement agreement idea. He did not then go back to the Committee and seek the same type of formal advice on the efficacy of the scheme. More important, despite a number of requests, he never gave the Committee a copy of the actual agreement. In addition, he may have told the Committee that a property settlement agreement was in effect, but he certainly did not tell the Committee that some of the funds raised by Mrs. Hansen pursuant to the direct mail campaign were deposited in their joint account and used by the Congressman, that they continued to maintain numerous joint financial transactions, including cars, homes and bank accounts, that he endorsed and spent the proceeds from the $50,000 Dallas loan, or that he arranged for and spent the $87,000 silver profit. Special Counsel believe that all of those facts would have been relevant and material to the Committee. Without communicating them, Congressman Hansen hardly can state that he kept the Committee "totally" advised, as his lawyer suggested.

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[8] The soybean transaction (1) and the original Dallas loan (2) occurred during the hiatus in reporting resulting from the change in old to new Rule XLIV. Since only transactions occurring from October to December, 1977 were reportable, *see* Advisory Opinion No. 12, supra, at 178, these could not amount to violations of any rules. In addition, the $125,000 (5) was large enough and lasted long enough to be a separate loan, but Congressman Hansen could have thought of it as a temporary overdraft which might not have to be included.

[9] By now, it is well-settled that disciplinary actions undertaken by this Committee and the House of Representatives are governed by the "clear and convincing" standard of evidence, falling somewhere between "preponderance" of the evidence required in civil cases and "proof beyond a reasonable doubt" required in criminal matters. *See* Manual of Offenses and Procedures, Korean Influence Investigation Pursuant to H. Res. 252, 95th Cong., 1st Sess., at 40 (Comm. Print 1977).

Furthermore, Congressman Hansen was put on notice from very early on that the Committee disagreed with his interpretation of the House rule. He asked for confirmation in May 1978. A month later he was sent a letter from the chairman and ranking minority member advising him that they differed with his view and that he should include Mrs. Hansen's liabilities on his disclosure form. The Congressman's attorneys then called the Committee staff to further discuss the Committee's view. Consequently, Congressman Hansen had no reasonable basis to continue not to report Mrs. Hansen's transactions. No subsequent advice of counsel, rendered on an interpretation of the former version of House Rule XLIV, could overcome the conclusion communicated in the June 15 draft letter and the subsequent conversations with counsel. The fact that the draft letter was not finalized cannot, in retrospect, be interpreted as acquiescence to a position totally opposite to what the letter itself concludes. If there was any possible continuing doubt by the Congressman that the Committee or its leadership thought he should include Mrs. Hansen, he should have sought further clarification.

Even if the Committee's failure to formalize its June 1978 letter could be considered ambiguous with respect to his reporting obligations in 1978, changes in subsequent years, including a further amendment to House rule and the enactment of EIGA, should have given him reason to seek additional, current advice. These intervening events should have put a reasonable person on notice that earlier representations to and contacts with the Committee had become stale and required additional discussion or clarification. This is even more the case because EIGA itself included a procedure for a member to solicit and rely upon formal advisory opinions. Instead, perhaps worried about still another adverse ruling, Congressman Hansen relied on advice of counsel which contradicted the only written Committee correspondence on the subject.

Furthermore, while a defendant may rely upon advice of counsel sought in good faith, even if erroneous, Runft's interpretation of Section 702(d)(2) of EIGA—that the Hansens could liken themselves to persons living apart in contemplation of divorce—was so without basis and devoid of legal substantiation, that it undercuts the proposition that the advice, as described at trial, actually was given in that way or that Congressman Hansen, a legislator with experience in reading the plain language of statutes and their history, could rely on it in good faith.

Finally, the evidence established at trial and Congressman Hansen's statement to the Committee revealed that he did not tell his attorneys all of the material facts concerning his situation. Any legal advice they did give did not encompass some things which may have made a difference. Mr. Runft, for example, knew little about how the $50,000 Dallas loan was spent or the Congressman's access to it and did not know that the Congressman also spent the $87,000 silver profit. Mr. McKenna testified that he never saw the Hansen's property agreement, knew nothing about the soybean transaction which started the whole disclosure issue, did not know about the Congressman's solicitation of Bunker Hunt, did not know how the $50,000 was spent or about the Congressman's efforts on behalf of McAfee, Rodgers and Meade. Special Counsel views these facts to be very material in determining whether, under the letter and spirit of the rule and statute, Mrs. Hansen's transactions had to be reported. The fact that Congressman Hansen's attorneys today testify that these facts would not change their advice is unpersuasive. First, such testimony is too self-serving to be adopted on its face. Second, there is evidence—assertions about correspondence with the Committee—which raises questions about the credibility of those witnesses. Third, "materiality" is an issue for Special Counsel, the Committee and the House to determine on their own. What Congressman Hansen's attorneys conclude is "material" is just one consideration in that determination.

Consequently, because he took actions which contradicted advice he solicited and was given, because he did not follow the legal advice on which he relied and because he did not give his attorneys enough facts on which to base their legal advice, Congressman Hansen was not justified in failing to report his wife's transactions. His actions, therefore, violated House Rule XLIV and EIGA. These violations clearly are within the jurisdiction of this Committee and should subject Congressman Hansen to disciplinary action by the Committee and the House.

B. Filing False Statements

The offenses for which Congressman Hansen was convicted under the false statements statute, 18 U.S.C. § 1001, make it illegal for any person to knowingly and willfully make a false statement or representation on a matter within the jurisdiction of any department or agency of the United States which is material to such matter.[10] The House has determined that false statements or swearing on material matters in the performance of a Member's duties constitutes conduct which violates the Rules of the House, specifically House Rule XLIII, cl. 1, which requires members to conduct themselves in a "manner which shall reflect creditably on the House of Representatives." *See* In The Matter of Representative Edward S. Roybal, H.R. Rep. No. 1743, 95th Cong., 2d Sess., at 3-4 (1978), 124 Cong. Rec. H 12820-12828, H 13249-13261 (daily ed. Oct. 13, 1978) (false testimony before the committee).

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[10] The House of Representatives and its component offices and committees have been held to be "departments or agencies" of the government within the meaning of § 1001. *United States* v. *Bramblett*, 348 U.S. 503 (1955); *United States* v. *Diggs*, 613 F.2d 988, 999 n.64, cert. denied, 446 U.S. 982 (1980).

The House has viewed the filing of false statements with the finance office of the Clerk as subject to sanction as well, even though not under oath or proffered in the course of a committee investigation. In The Matter of Representative Charles C. Diggs, H.R. Rep. No. 351, 96th Cong., 1st Sess., Vol. I, at 19 (1979) (false payroll authorization forms).

It is Special Counsels' view that a false statement on a form submitted to the Standards Committee is particularly within the Committee's jurisdiction where, as under EIGA and the procedures adopted by the House, the Committee is itself the "agency" to which responsibility for reviewing the forms has been committed. The Committee, *inter alia,* is specifically directed to determine whether the reports required to be filed under the Ethics in Government Act are "filed in a timely manner, are complete and are in proper form." 2 U.S.C. § 105(a) In addition, the substantive requirements of House Rules prohibit the receipt of gifts of over $100 from persons with a direct interest in legislation, House Rule XLIII, cl. 3, and limit earned outside income to 30 percent of the aggregate salary of a Member per year, House Rule XLVII, cl. 1(a). The filing of false information or omission of information would influence, or tend to influence, the decision of the Committee with respect to matters committed to it concerning compliance with substantive and procedural rules of the House.[11] For the reasons described under "Financial Disclosure" above, Special Counsel concludes that Congressman Hansen willfully failed to disclose material information and did not have a reasonable "advice of counsel" defense. This willful failure violated Section § 1001 and House Rule XLIII. These violations also should subject Congressman Hansen to further disciplinary action.

C. Other Rule Violations

While Congressman Hansen was convicted for filing false information having to do with financial disclosure, the events which were testified to at this trial do indicate other potential violations of House rules.[12]

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[11] Congressman Hansen argued both before and at trial that the omissions from the financial disclosure forms were not material because the committee is not required, and does not, review the forms for compliance with the rule. Citing to the legislative history discussing the purpose to foster public disclosure, not internal enforcement, the Congressman contended that the committee could not rely on the forms with respect to a decision "required to be made," because no decision is ever made by the committee other than to print the forms. Special Counsel reject this contention as unjustified by the legislative history and an overly narrow reading of the committee's responsibility to assure compliance with House rules. Like any disclosure scheme, whether it be the federal securities laws, or the federal election laws, great dependence is placed upon voluntary truthful and full reporting. It is no defense to failure to file under such a scheme that the committee does not act on the information it receives, for it relies upon complete reporting by members and staff.

[12] Rule 14 of this Committee's rules of procedure states that the purpose of a preliminary inquiry is "to review the *evidence* of such offense [that for which the Member was convicted] and to determine whether it constitutes a violation over which the Committee is given jurisdiction . . ." (emphasis added). Because of the rule's use of the word "evidence" of the offense rather than the offense itself, Special Counsel believe that a preliminary inquiry is *not* confined solely to those rules which are analogous to the statute for which the member ultimately was convicted. In other words, if a member is convicted for statute x, and the evidence at trial shows that

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1. SOLICITATION CAMPAIGN

The first related violation involves the Hansens' solicitation campaign, the episode which can be said to have started this incident. The Hansens were told through Advisory Opinion Nos. 4 and 11 that they could not raise funds through a direct mail campaign for the Congressman's personal debts. This advice was predicated on House Rule XLIII, cl. 7 which, in pertinent part, states "[a] Member . . . shall treat as campaign contributions all proceeds from testimonial dinners or other fund-raising events." Advisory Opinion No. 4, *reprinted in* Ethics Manual for Members and Employees of the U.S. House of Representatives, 98th Cong., 2d Sess., at 159 (1984).

The Hansen's solution was to transfer the debts to Mrs. Hansen and then allow her to raise funds. As previously noted, the Hansens did not provide the Committee with a copy of their Agreement or the specifics about how the Agreement would affect their day-to-day finances. Special Counsel doubts that the property separation scheme is consistent with the spirit of Advisory Opinion Nos. 4 and 11. The possibilities for abuse are readily apparent, and a member should not be allowed to circumvent the intent of a rule, if not its specific language, by such a paper reorganization of his or her financial affairs. *However, even assuming that Mr. Runft's device technically complied with the advisory opinions, the evidence at trial revealed that the Hansens did not maintain the scheme as presented.* Mrs. Hansen admitted that some funds which were raised as part of the direct mail campaign were taken out of her special account and placed in hers and the Congressman's joint account (Tr. 1281). In addition, the evidence at trial showed that a careful accounting of what money was spent for which debts was neither kept nor possible to keep, and that co-mingling probably occurred. The results of the transfer of solicited funds to a joint account and the loose financial practices are exactly what the Committee had disallowed—Mrs. Hansen's solicitation of funds through direct mail which were used by Congressman Hansen. Having asked for advice and having devised a procedure to allow the solicitation plan, the Hansens were under a special duty to implement that plan carefully. The evidence clearly shows that this was not done, and the resulting practice, in Special Counsels' view, violated Advisory Opinion Nos. 4 and 11 and House Rule XLIII on which they were based.[13]

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the member violated a rule analogous to statute x *plus* some other related rule, the Committee would be remiss if it did not consider the related standard of conduct. This is *not* to say that any or all potentially applicable statutes and rules should be included in a preliminary inquiry. To do so would be unfair to the member who, in the Rule 14 context, would not have enough opportunity to adequately defend the new charges. However, those rules which are so fundamentally related to the principal offense that they are almost central to it can and should be considered, especially, as in this case, when the conduct prescribed by those related rules was put in issue at the trial and addressed by both the prosecution and the defense. In this specific case, the motivation for Congressman Hansen's failures to disclose was very much at issue in trial and part of each side's presentation.

[13] In addition, the critical property settlement agreement may have become invalid under Idaho law itself. Where spouses with separate assets co-mingle that property and blur the distinction, it reverts to the status of "community property." *See Martsch v. Martsch*, 103 Idaho 142, 645 P.2d 882 (1982); *Gapsch v. Gapsch*, 76 Idaho 44, 277 P.2d 278 (1954). If the Hansen's bookkeeping and finances had this result, the settlement agreement would have had no effect whatsoever on the ban on solicitation and on the disclosure requirements.

2. ACCEPTING GIFTS

House Rule XLIII, cl. 4, provides that a member may not receive gifts of more than $100 in value per year directly or indirectly from any person having a direct interest in legislation before the Congress. Through interpretation of the rule, the Committee has defined persons having a direct interest in legislation as any person who is, or employs, a registered lobbyist, maintains a political action committee or anyone who has an interest in legislation distinct from the "general public interest" in legislation. Advisory Opinion No. 10, *reprinted in* Ethics Manual for Members and Employees of the U.S. House of Representatives, 98th Cong., 2d Sess., at 173 (1984). Indeed, the purpose of the rule was to instill public confidence that Members of the House would not be influenced, or have their impartiality questioned, by gifts from persons with interests in legislation before the Congress. The intent of the rule, as clarified by later interpretations, was to prevent and deter apparent as well as actual conflicts of interest. *See Manual of Offenses and Procedures, Korean Influence Investigation Pursuant to House Resolution 252,* 95th Cong. 1st Sess., at 29 (Comm. Print 1977).

The evidence showed that Congressman Hansen solicited money from Mr. Hunt and then accepted what Special Counsel concludes were gifts in the pay-off of the $61,000 Dallas loan and in the receipt of the already-made $87,000 silver profit. Given his wide and varied interests in matters before the Congress and the direct impact which the actions of Congress have upon his business activities, Nelson Bunker Hunt obviously is a person with a direct interest in legislation within the definition and intent of that term.

As the Committee has previously stated, "[t]he more the donor's interest is shared with the public at large, the less likely it is that the provision was meant to prohibit the acceptance of the gift . . . At one extreme, a large gift from the head of an energy company during the pendency of an energy company divestiture bill would be barred. But a similar gift from the same source during the pendency of general minimum wage or economic stimulus legislation might not amount to a "direct interest." *Manual of Offenses and Procedures, supra,* at 29. And the Committee has determined that "legislation before the Congress" should be "read broadly to include an ongoing special interest in or affecting the legislative process." Advisory Opinion No. 10, *supra* at 174.

Under these circumstances acceptance of the loan pay-off and the silver profit from Nelson Bunker Hunt, whose interest in matters pending before the Congress was open and notorious, evidences a direct violation of Rule XLIII, cl. 4.

3. APPEARANCE OF CONFLICT OF INTEREST

The Code of Ethics for Government Service, House Concurrent Resolution 175, 72 Stat. pt. 2, B12 (July 11, 1958), provides that: "Any person in Government Service should . . . [ ] (5) . . . never accept, for himself, or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties." The Code has been deemed to carry the force of law and by precedent has been deemed to apply to Members of the House. *See* In the Matter of

Representative Robert L.F. Sikes, H.R. Rep. No. 1364, 94th Cong., 2d Sess., at 8 and n. 11 (1976); In the Matter of Representative Raymond F. Lederer, H.R. Rep. No. 110, 97th Cong., 1st Sess., at 118 n. 46 (1980); Constitution, Jefferson's Manual and Rules of the House of Representatives § 63, H.R. Doc. No. 271, 98th Cong., 2d Sess., at 26 (1983).

The acceptance of constantly extended loans and ready-made commodities profits from Mr. Hunt and of loans and interest payments from the three Virginia men (including deposit of the first $25,000 on the same day that Messrs. McAfee and Rodgers came to Washington to attend a meeting with the Army arranged and attended by Congressman Hansen) certainly calls into question whether reasonable persons might construe acceptance of such largesse as influencing the performance of his governmental duties or whether these favorable loans and arrangements were made solely because Mr. Hansen was a Congressman.[14] Review of the precedents indicate that such direct and substantial financial involvement with persons for whom the Member seeks to expedite or advance government decision-making constitutes an appearance of conflict, in violation of an ethical standard previously applied to Members. In the Matter of Representative Robert L.F. Sikes, H.R. Rep. No. 1364, *supra*, at 21.[15]

8. RECOMMENDATION

Special Counsel recommends that the Committee conclude that Congressman Hansen has committed violations of law and House rules, that the Committee has jurisdiction over such violations and that the Committee should proceed promptly to hold a hearing, pursuant to Rules 16 and 17 of the Committee's rules, for the purpose of determining what sanction to recommend to the House of Representatives in this matter.

Respectfully submitted.

STANLEY M. BRAND,
ABBE DAVID LOWELL,
Special Counsel.

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[14] This is not to say that the time-honored role of members as ombudsmen for their constituents and the public is not an accepted, legitimate and necessary part of their responsibilities of office; only that a member cannot receive such large personal financial rewards under circumstances which "might be construed as influencing the performance of his governmental duties."

[15] Part of the prosecution's presentation of its case involved its implying bribery of Congressman Hansen by Messrs. Hunt, McAfee, Rodgers or Meade. This implication raises additional statutes and rules which Special Counsel reviewed as part of this preliminary inquiry. *See* 18 U.S.C. §§ 201(c) (bribery), 201(g) (gratuity) and 203 (conflict of interest). The government did not indict under these statutes and was unable to show any direct "quid pro quo" required for bribery, any correlation between an official act for which a gratutity might have been done and the loans, or activities substantial enough to constitute an actual conflict of interest. *See* Defendant's Motion in Limine to Exclude Evidence, at 3-10 (March 15, 1984). Special Counsel does not believe sufficient proof for any of these charges exists in the evidence or that the charges form a basis for exercising Committee jurisdiction.

U.S. House of Representatives
COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT
Washington, D.C. 20515

12 May 1978

The Honorable George Hansen
1125 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Hansen:

As you requested, I have attempted to recall the series of conversations I have had with Mr. David Morrissey and the subject matter of each. To the best of my recollection, the first time I talked with Mr. Morrissey was on or about Tuesday, April 25th. At that time he asked when the Financial Disclosure statements would be available to the press. I told him not before May 1st, but probably a day or two after that due to the expected number of last-minute filings. He also asked if the Idaho Congressmen had filed yet and could I tell him what had been disclosed. I told him at that time I could not tell him any specific Financial Disclosure information over the phone, including who had or had not filed.

Mr. Morrissey called our office several more times during the last week in April with basically the same demands. On each occasion he was told by me that I could not tell him any information on any Financial Disclosure statement or who had filed. I suggested that he might check with the Secretary of State in Idaho to determine what statements had been received by them. Each Secretary of State was apparently handling the Financial Disclosure statements received by them differently and I thought it possible he could find out what he wanted to know from that source.

On or about Monday, May 1st Mr. Morrissey called wanting a specific date we could give him the information on your form. This was the first time I recall his mentioning you by name. I reiterated the committee's position. When he called the following day, I told the secretary here to tell him I was out. On Wednesday, May 3rd he called saying he knew you had filed and the statements were to be public now and he wanted the information. By that date the committee was firm upon the 9:00 A.M. Thursday, May 4th time for making the statements available in this office.

Thursday, May 4th Mr. Morrissey called for me and stated he was "really burned" because the information on your form had been released by this committee to another reporter on Wednesday. I told him that was not correct; that no information had been released by the committee in any form to anyone prior to 9:00 A.M. Thursday. He insisted he was correct and I responded "that's a lie". He assured me the other reporter told him he got the information from our committee on Wednesday. I told him "If he is telling you that, he is lying to you". I then told him I still could not give him the information he wanted beyond the fact that all Members had filed prior to May 4th. I believe I told him the House Press Gallery might give him the information because they had purchased a copy of all Member's statements, but I would not.

EXHIBIT 1

On Friday, May 5th, Mr. Morrissey called and I talked to him for 20 to 30 minutes. By this time, I was reasonably familiar with your property division with your wife and the source of the liabilities Mr. Morrissey felt should have been disclosed and were not. He maintained your wife's debts resulted from your activities and according to Advisory Opinion #12 of the Select Committee on Ethics, should have been disclosed. I told him my reading of Advisory Opinion #12 was the same as his, but I was not familiar with the circumstances of the property division or with what interpretation the Select Committee might give in a specific case. When asked for my personal opinion, I did respond as quoted - "my impression is that the Congressman is probably incorrect". I regret the use Mr. Morrissey made of that statement. I erroneously felt that I had sufficiently explained the following: 1) without the facts, my opinion was of no value whatever and should not be represented as an authoritative source nor attributed; 2) if a determination were to be made, it would not even be made by my committee, much less by me, and; 3) your previous statements about the debts indicated you had considered the matter and arrived at a different conclusion than I.

When asked what this committee would do about your situation, I told him all Financial Disclosure statements had been reviewed by me for completeness and yours was found to be complete on its face. Any question about your statement had not been raised except by him.

The remainder of the conversation consisted of an explanation by me of the authority of the committee to investigate allegations of misconduct or other violations of the Rules of the House. This background information was apparently used by Mr. Morrissey in the newspaper article shown me on Monday, May 8th, as specifically applying to you, presupposing you had filed an incomplete Financial Disclosure statement. Since that conversation, I have not talked to Mr. Morrissey.

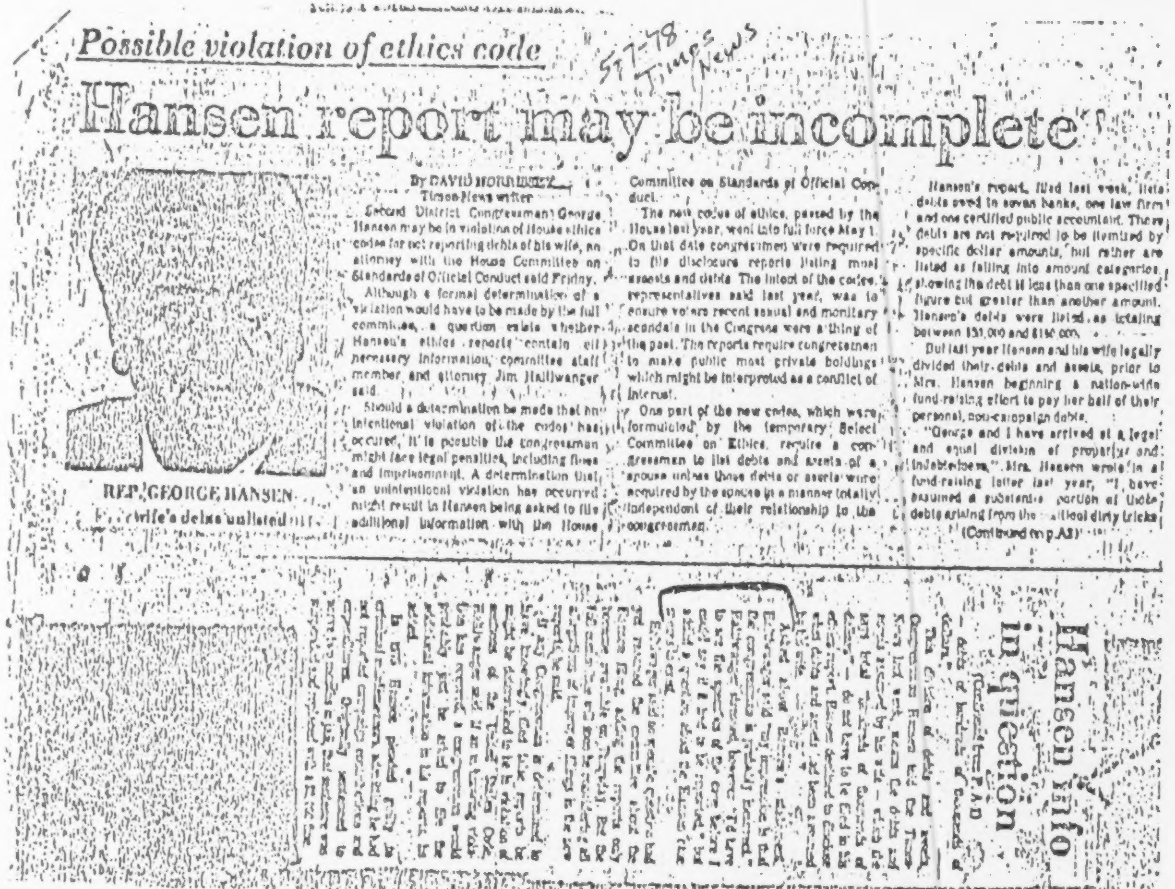
Throughout the time I received calls from Mr. Morrissey, the staff of the Select Committee on Ethics, with whom I was in frequent contact, advised me he had also been calling them regularly about this matter. I believe he was told by them the provisions of Advisory Opinion #12 and told to draw his own conclusions as to its application to your situation; a judicious course I regret I did not follow to the letter.

I hope this information will be helpful to you in understanding my part in the events described. If I may provide additional information as to these events, please call on me.

Sincerely,

Jim Haltiwanger

James N. Haltiwanger



Possible violation of ethics code

5-7-78 Times News

Hansen report may be incomplete

REP. GEORGE HANSEN

... wife's debts unlisted

By DAVID HORNBECK
Times-News writer

Second District Congressman George Hansen may be in violation of House ethics codes for not reporting debts of his wife, an attorney with the House Committee on Standards of Official Conduct said Friday.

Although a formal determination of a violation would have to be made by the full committee, a question exists whether Hansen's ethics reports contain all necessary information, committee staff member and attorney Jim Hallwanger said.

Should a determination be made that an intentional violation of the codes has occurred, it is possible the congressman might face legal penalties, including fines and imprisonment. A determination that an unintentional violation has occurred might result in Hansen being asked to file additional information with the House Committee on Standards of Official Conduct.

The new codes of ethics, passed by the House last year, went into full force May 1. On that date congressmen were required to file disclosure reports listing most assets and debts. The intent of the codes, representatives said last year, was to ensure voters recent sexual and monetary scandals in the Congress were a thing of the past. The reports require congressmen to make public most private holdings which might be interpreted as a conflict of interest.

One part of the new codes, which were formulated by the temporary Select Committee on Ethics, require a congressman to list debts and assets of a spouse unless those debts or assets were acquired by the spouse in a manner totally independent of their relationship to the congressman.

Hansen's report, filed last week, lists debts owed to seven banks, one law firm and one certified public accountant. These debts are not required to be itemized by specific dollar amounts, but rather are listed as falling into amount categories, showing the debt is less than one specified figure but greater than another amount. Hansen's debts were listed as totaling between $31,000 and $150,000.

But last year Hansen and his wife legally divided their debts and assets, prior to Mrs. Hansen beginning a nation-wide fund-raising effort to pay her half of their personal, non-campaign debts.

"George and I have arrived at a legal and equal division of property and indebtedness," Mrs. Hansen wrote in a fund-raising letter last year, "I have assumed a substantial portion of those debts arising from the political dirty tricks

(Continued on p. A2)

Hansen info in question

May 17, 1978

MEMORANDUM TO: Congressman Richardson Preyer and
Congressman Charles Wiggins

FROM: Select Committee Staff

RE: Advisory Opinion Request of Congressman Hansen

Congressman Hansen has written to the Select Committee asking for an opinion regarding disclosure of spouse liabilities under House Rule XLIV. If the Chairman and Ranking Minority Member can agree on the response then the matter can remain strictly confidential. If there is no agreement, then the matter should be referred for consideration by the full Committee.

ISSUE

The request for an advisory opinion results from the following fact situation:

In June of 1977 Congressman and Mrs. Hansen entered into a legal property settlement wherein their liabilities were separately divided between the two parties. The reason for the division was to allow Mrs. Hansen to solicit funds to pay some of the debts in a manner which would not personally benefit Congressman Hansen, and therefore would not be in violation of House Rule XLIII.

House Rule XLIV as amended provides that items of a spouse which are under the "constructive control" of the reporting individual should be disclosed. Congressman Hansen contends that since his spouse's liabilities are not shared by him in any way, they are not under his "constructive control"; and therefore need not be disclosed. Mr. Hansen has asked the Select Committee to confirm his contention.

The following summarizes the development of spouse disclosure requirements of House Rules in the context of the situation discussed above.

OLD RULE

In 1968 the House adopted financial disclosure requirements for Members, officers, and certain employees. At that time the House Rule required only disclosure of certain types of holdings and the source of certain types of income. The Rule also required the disclosure of those holdings which were under the "constructive control" of the reporting individual.

The Committee on Standards of Official Conduct adopted the following interpretation of "constructive control" for the first filing made in April 1969:

EXHIBIT 2

> "...financial interests are regarded as constructively controlled ... if enhancement of those interests would substantially benefit the person reporting. Normally, in the absence of specific property division agreements, trusts, etc...the interests of spouses ...would be constructively controlled."

Congressman Hansen heavily relies on this past interpretation of "constructive control" to claim an exemption from disclosure under the current rule. However, it appears that the old interpretation adopted by the Standards Committee applied only to holdings and was never intended to refer to liabilities.

This conclusion is based on the fact that the requirement to list certain unsecured liabilities in excess of $10,000 did not become effective until 1972. The question of how the "constructive control" test would apply to liabilities never came up from 1972-1977, and therefore the issue was never addressed by the Committee on Standards of Official Conduct. Consequently, it seems that the application of the "constructive control" test under the old Rule had reference only to "holdings" and that any reliance upon such interpretation in relation to liabilities would be misplaced. However, even if the old interpretation had applied to liabilities, any new or additional interpretation or clarification issued by the Select Committee on Ethics would supersede the old interpretation.

NEW RULES

When the new rules were adopted on March 2, 1977 the "constructive control" language or "beneficial interest" test was retained. However, the Commission on Administrative Review recognized that additional interpretation would undoubtedly be necessary given the greatly increased disclosure requirements, and it was understood that the Select Committee on Ethics would clarify and interpret application of the new rules as they become effective. Accordingly, the Select Committee on Ethics was given authority to adopt regulations, and issue advisory opinions respecting application of the new House Rules adopted on March 2, 1977. Additionally the Select Committee was given jurisdiction over any legislation to incorporate the new House Rules into statute.

At first, it was decided that the Select Committee should report a bill incorporating the new disclosure requirements into statute, applying the requirements to candidates for Congress and "fleshing out" the rule with definitions and clarifications. If enacted, it was anticipated that the bill would take effect before the first disclosure report, and the House Rules would have then been amended to conform to the statute.

However, when consideration of the statute became delayed, because it was extended to government-wide disclosure, and questions concerning application of the House disclosure rules Rules began to multiply, the Select Committee, issued a four page advisory opinion concerning application of the new House Rule XLIV. One major issue that was addressed was the requirement of spouse disclosure.

Because the "beneficial interest" interpretation that had been adopted for holdings in 1968 had little or no reasonable application to the new disclosure requirements concerning income, gifts, reimbursements, and liabilities, the Select Committee acted to interpret and clarify spouse disclosure requirements in a manner consistent with the spirit and intent of House Rule XLIV as amended.

For instance it would have been overkill to require that any and all gifts or reimbursements received by a spouse had to be listed simply because the reporting individual might theoretically benefit from such gift (e.g. a silver tea set received from a grateful client of a spouse; or a stipend received from the employer of the spouse in recognition of superior work, etc.). Additionally, it was decided that no purpose would be served by requiring the exact income of a spouse (even though such income would probably benefit the reporting individual), and therefore disclosure was limited to the source, but not amount, of earned income.

In order to apply common sense considerations and a "rule of reasonableness" in the application of the intent of the new disclosure rule the Committee adopted the following language in Advisory Opinion # 12:

> "In view of the more detailed information now required to be disclosed, the Select Committee believes that clarification of spouse disclosure requirements is necessary.
>
> Accordingly, the financial interests of a spouse should be reported as follows: (1) source, but not amount, of spouse earned income exceeding $1,000; (2) gifts or reimbursements to the spouse, unless received independent of the relationship to the reporting individual; and (3) assets and liabilities of the spouse unless the reporting individual indicates that: (a) he or she neither derives, nor expects to derive, any economic benefit from such interests; and (b) such interests were not obtained in any way from the assets or activities of the reporting individual."

Under the Select Committee's interpretation, it seems clear that liabilities of a spouse should be listed unless they were acquired independently of the reporting individual. Therefore, it appears the liabilities which were transferred to Mrs. Hansen ought to be disclosed.

Additional Considerations

The Select Committee has adopted a middle ground between those who would require full disclosure of all income, gifts, assets, liabilities, etc. of spouses and depednet children, and those who would require little, if any, such disclosure. The Senate has already passed legislation which leans heavily towards full disclosure of everything. Although the motivation to enter into this particular property agreement was not to circumvent disclosure, under the interpretation Mr. Hansen has proposed, a reporting individual could literally transfer his liabilities to a spouse on December 30 and thereby circumvent the disclosure rule because it was not his liability "as of the close of the calendar year".

Common sense would indicate that this is an unacceptable interpretation. However, if such an interpretation were accepted, then those who would require absolute spouse and dependent disclosure would have made their point. Additionally, there is some question as to whether an individual can legally waive his responsibilities to creditors, although it may be that this particular property division was made with the consent of creditors.

Even though application of the rule seems clear in this case, Congressman Hansen has some extenuating circumstances which ought to be given careful consideration.

First, there is great reluctance to disclose apparently because some of the liabilities involved are owed to friends who made personal loans, and Mr. Hansen does not wish to have them involved publicly. Nevertheless, other Members of Congress have already made disclosure of such personal loans because the Rules provide no exemption for personal notes, even from relatives.

Secondly, Mr. Hansen states that, since the loans are no longer his responsibility, any disclosure of his wife's situation is impossible because it would invade her privacy and intrude upon her independence. Although this in undoubtedly true of other Members as well, probably few, if any, have entered into separate property agreements with their spouses by dividing formerly shared liabilities.

CONCLUSION

Given the "uniqueness" of this particular case, it might be possible to provide for some "middle ground" and allow Mr. Hansen to simply disclose those legal liabilities (e.g. some personal loans may not have been secured by a legal note) which he transferred to his spouse in June 1977. Mr. Hansen may then wish to assert that what happened since that time is beyond his knowledge and none of his business, and it would be possible to support such a contention when inquiries are made from the press and his political opponents. In the alternative, he may disclose any such legal liabilities transferred to his spouse less those which were paid off or reduced to below $2,500 as of December 31, 1977.

U.S. House of Representatives
SELECT COMMITTEE ON ETHICS
Washington, D.C. 20515

June 9, 1978

Mr. David Shurtz
c/o Honorable Charles E. Wiggins
2371 Rayburn House Office Building
Washington, D.C. 20515

Dear Dave:

Attached is a possible draft to respond to Congressman Hansen's inquiry. Basically, page 1 of the draft follows Mr. Wiggins' suggested response.

I talked to Congressman Hansen two weeks ago and requested that his attorney call me if there had been any arrangements made with creditors to release Mr. Hansen of any personal liability at the time of the transfer of the debts to Mrs. Hansen. There has been no response, but I do not believe that it would be proper to draw any conclusions from this fact. I should also point out that Congressman Hansen might well be concerned about the implications of the response suggested by Congressman Wiggins. The reason for the transfer of debts was to allow Mrs. Hansen to raise funds which would not accure to the personal benefit of Congressman Hansen. If we now state that the sole reason why he has to disclose these debts is because he is still liable, then there would be concern about the propriety of his spouse's fund-raising efforts under House Rules.

Nevertheless, Mr. Preyer is anxious to arrive at the correct result and to minimize any publicity, etc., surrounding this matter (apparently there has yet to be an official complaint filed). Therefore, it seems appropriate to accept Mr. Wiggins' suggestion with the additional "dicta" contained on page 2. Please note that the terms are couched in language such as "appear to" so that Mr. Wiggins and Mr. Preyer would not be definitively ruling on the "constructive control" question at this time. However, I think it is almost certain that they would rule in this manner, if required, and to so indicate at this time would probably put the matter to rest instead of prolonging the debate.

EXHIBIT 3

Although Mr. Wiggins did not fully participate in the Committee mark-up of Advisory Opinion #12, and is not comfortable with some of its implications (particularly in regard to disclosure of spouse assets), we do have to recognize and rely on its existence. Otherwise, we have no basis for the rather lenient treatment of spouse income, gifts, and reimbursements provided for in Advisory Opinion # 12.

Simply put, Advisory Opinion #12 requires disclosure of spouse liabilities if they were originally the liabilities of the reporting individual. Such a provision only makes common sense, because otherwise one could easily transfer the liability to the spouse and circumvent disclosure. It is quite possible that a creditor who is a friend would agree to such an arrangement, but since the Rules provide no exception for liabilities to "friends", such a "loophole" would be unacceptable.

Finally, I want to emphasize that the language in the fourth paragraph on page three would provide Congressman Hansen with a response to any critics, both in the media and potential political opponents, concerning this subject, as well as provide Mr. Hansen with a basis for asserting that he has acted properly throughout this entire matter.

After you have had a chance to discuss this with Mr. Wiggins, please give me a call.

Sincerely,

Don

DON TERRY

[illegible]

U.S. House of Representatives
SELECT COMMITTEE ON ETHICS
Washington, D.C. 20515

June 15, 1978

Honorable George Hansen
1125 Longworth House Office Building
Washington, D.C. 20515

Dear George:

Enclosed is a draft of our proposed response to your recent inquiry concerning the requirements of Rule XLIV.

We are sending this draft to you so that you might have an opportunity to bring to our attention any additional relevant information before we issue a formal letter within the next two weeks.

Sincerely,

RICHARDSON PREYER
Chairman

CHARLES E. WIGGINS
Ranking Minority Member

EXHIBIT 4

June 15, 1978

Honorable George Hansen
1125 Longworth House Office Building
Washington, D.C. 20515

Dear George:

This letter is in response to your request for an advisory opinion regarding spouse disclosure requirements pursuant to House Rule XLIV. Specifically, you asked whether certain personal liabilities which were transferred to your wife before December 31, 1977 needed to be disclosed on the financial disclosure statement filed by Members of Congress on or before April 30, 1978.

Rule XLIV requires disclosure of "the identity and category of value of each liability owed, directly or indirectly, which exceeds $2500 as of the close of the preceding calendar year". Basically, the assertion is made that any liabilities transferred to your spouse before December 31, 1977 were no longer under your "constructive control", and therefore are not subject to the disclosure requirements.

However, we have no indication that the affected creditors released you from your personal liability to them at the time of the transfer. Accordingly, it is probable that you remain in some way ultimately liable for the debts originally incurred by you.

Under such circumstances, our decision would appear to be simple and clear-cut. You should disclose those liabilities exceeding $2500 as of the close of calendar year 1977 which were originally incurred by you. There is no requirement, of course, to disclose any liability whose balance was reduced below $2500 as of December 31, 1977.

Since this decision is based on rather narrow grounds, it does not necessarily involve any interpretation of the "constructive control" question. Nevertheless, it would appear that the transferred liabilities may also be subject to disclosure under the "constructive control" test of Rule XLIV depending upon the factual circumstances of a given case.

The following summarizes the development of spouse disclosure requirements of House Rule XLIV in the context of the situation discussed in your letter.

In 1968 the House adopted financial disclosure requirements for Members, officers, and certain employees. At that time Rule XLIV required only disclosure of certain types of holdings and the source of certain types of income. The Rule also required disclosure of those financial holdings which were under the "constructive control" of the reporting individual.

The Committee on Standards of Official Conduct adopted the following interpretation of "constructive control" for the first filing made in April 1969:

> "Financial interests in the name of another should be regarded as constructively controlled...if enhancement of those interests would substantially benefit the person reporting. Normally, in the absence of specific property division agreements, trusts, etc., the interests of spouses...would be constructively controlled."

You heavily rely on this past interpretation of "constructive control" to assert an exemption from disclosure under the current Rule. However, it appears that the original interpretation adopted by the Standards Committee applied only to holdings and was never intended to refer to liabilities.

This conclusion is based on the fact that the requirement to list unsecured liabilities in excess of $10,000 did not take effect until 1972. The question of how the "constructive control" test would apply to liabilities of the spouse never arose from 1972-1977, and therefore the issue was never considered by the Committee on Standards of Official Conduct.

Consequently, it seems that the "constructive control" test under the old Rule had reference only to "holdings" and that any reliance upon such interpretation in relation to liabilities would be misplaced. However, even if the old interpretation had applied to liabilities, any new or additional interpretation or clarification issued by the Select Committee on Ethics would supersede the old interpretation.

The "constructive control" interpretation that was adopted for holdings in 1968 has little or no reasonable application to the new disclosure requirements concerning income, gifts, reimbursements, and liabilities. Accordingly, the Select Committee acted to interpret and clarify spouse disclosure requirements in a manner consistent with the spirit and intent of new House Rule XLIV as amended.

For instance, it would have been unreasonable to require that any and all gifts or reimbursements received by a spouse must be disclosed simply because the reporting individual might theoretically benefit from such items, (e.g. a gift received from a grateful client of a spouse; or a bonus received from the spouse's employer in recognition of superior work, reimbursements or travel in connection with a spouse's business trip, etc.). Additionally, it was decided that no purpose would be served by requiring the exact income of a spouse (even though such income would probably benefit the reporting individual), and therefore disclosure was limited to the source, but not the amount, of earned income.

In order to apply common sense considerations and a "rule of reasonableness" in the application of the intent of the new disclosure rule, the Committee adopted Advisory Opinion # 12 on December 1, 1977. That advisory opinion states that spouse liabilities should be disclosed unless the reporting individual indicates that they "...were not obtained in any way from the assets or activities of the reporting individual."

Under the Select Committee's interpretation, it seems clear that liabilities of a spouse should be listed unless they were acquired independently of the reporting individual and the reporting individual was not substantially benefited therefrom. Therefore, it would appear that the liabilities which were transferred to Mrs. Hansen ought to be disclosed under the "constructive control" test, as well as the unambiguous text of the Rule.

To hold otherwise would allow for the circumvention of the Rule. Although the motivation to enter into this transfer was certainly not to avoid disclosure, under the interpretation you propose, any reporting individual could simply transfer liabilities to a spouse on December 30, and thereby circumvent the Rule because it was not his liability "as of the close of the calendar year".

Please be assured that we are of the opinion that the treatment you have received in the press concerning this subject is unwarranted, and that we are convinced any failure on your part to list required information under House Rule XLIV was based on your good-faith interpretation of that Rule. Therefore, there would be no grounds for any possible action against you based on an assertion of willful falsification or failure to file required information.

However, it does seem to us that the information discussed above should have been listed in your disclosure form.

If you have any further questions concerning this matter, please do not hesitate to contact us.

Sincerely,

RICHARDSON PREYER
Chairman

CHARLES E. WIGGINS
Ranking Minority Member

In mid-June, Congressmen Preyer and Wiggins sent a proposed draft of a letter clarifying spouse disclosure requirements to Congressman George Hansen for his comments. Mr. Hansen's attorney subsequently discussed two major points of the draft letter with Donald Terry of the Select Committee staff:

1) The draft asserted that since affected creditors apparently did not release Congressman Hansen from any personal liability, he would most likely still be legally liable for those debts. Therefore, any such debts would be subject to disclosure if they exceeded $2,500 as of December 31, 1977.

We are now informed that Congressman Hansen made a number of courtesy calls to his personal creditors in advance of the public statement announcing his property settlement. Mr. Hansen made these calls to most, if not all, of the creditors because he wanted his friends and supporters to understand the circumstances surrounding the property settlement and to tell them that the marriage itself would remain unaffected by the property settlement.

While Mr. Hansen apparently did not specifically ask anyone to be personally released from any further liability, none of the creditors objected to or questioned the procedure when they were advised of the plan.

(2) The draft letter states that regardless of the legal liability at this point, House Rule XLIV, as interpreted by the Select Committee requires disclosure of any spousal debts "unless they were not obtained in any way from the activities of the reporting individual." Since the debts were "transferred", at least in part, from Mr. to Mrs. Hansen, the draft concludes that they should be disclosed.

Mr. Hansen's attorney argues that there was no "transfer" of debts or liability. Instead the property settlement was actually a legal reformation of the old debts which, in effect, created a new situation without connection to any former liabilities.

Since Mr. Hansen wrote to the Select Committee there has not been any formal complaint filed with the Committee on Standards of Official Conduct. However, the attached letter was recently forwarded to the Committee.

EXHIBIT 5

LAW OFFICES
MILLER, CASSIDY, LARROCA & LEWIN
2555 M STREET, N. W. SUITE 500
WASHINGTON, D. C. 20037

HERBERT J. MILLER, JR.
JOHN JOSEPH CASSIDY
RAYMOND G. LARROCA
NATHAN LEWIN
MARTIN D. MINSKER
WILLIAM H. JEFFRESS, JR.
R. STAN MORTENSON
THOMAS J. CARR
JAMIE S. GORELICK
JAMES E. ROCAP III
STEPHEN L. NIGHTINGALE
SETH P. WAXMAN
DAVID O. STEWART
JONATHAN B. SALLET
ANNE [illegible] HALLWOOD
RANDALL J. TURK
STEPHEN L. BRAGA
JAMES L. VOLLING*
RORY K. LITTLE

*ADMITTED ONLY IN MINNESOTA

COURTNEY A. EVANS
OF COUNSEL

TELEPHONE
(202) 293-6400

TELECOPIER
(202) 293-[illegible]

TELEX
[illegible]

June 5, 1984

BY HAND

Abbe David Lowell, Esq.
Committee on Standards of
Official Conduct
U.S. House of Representatives
Washington, D.C. 20515

Dear Abbe:

Pursuant to our telephone conversation of last evening and our meeting this morning, I have done some additional investigation and have thought some more about the documents which you have recently found in the files of the House Select Committee on Ethics. Although I do not, at present, have copies of these documents in my possession (because you explained that you would be checking first with the Committee to determine whether they could be released to me), I have a general recollection of their contents. Since I will be unavailable on June 6 and 7 and I know that you are busy preparing the final draft of the report you will be submitting to the Committee, I am taking the liberty of commenting on these newly-raised matters in this letter.

1. I advised you this morning that neither Congressman Hansen nor Mr. Runft has a specific recollection of having seen the draft letter that you showed me this morning. I understand that is consistent with the present memory of others who were involved at the time. For example, you advised me that Don Terry also did not recall that there had been a letter either drafted or sent. It is not surprising, of course, that by this date -- almost six years after the events -- a particular document is not recalled by any of the parties.

2. The attorney with whom Mr. Terry spoke in June 1978 was John Runft. I understand that Mr. Runft called you this morning and told you his recollection of the discussion he had with Mr. Terry. It was Mr. Runft's impression that the conversation ended with Mr. Terry having a more correct understanding of the purpose and effect of the Property Settlement Agreement and its consequence for financial disclosure obligations than he had had prior to their lengthy discussion. Indeed, it was Mr.

EXHIBIT 6

Runft's feeling that he had satisfied Mr. Terry that the treatment of Mrs. Hansen's liabilities on the financial disclosure form was correct.

3. I have had Mr. Runft check his time sheets and bills for the month of June 1978. He has advised me that they reflect the following entries:

> 6/23/78 -- Telephone conference with George re proposed House Ethics Committee ruling.
>
> 6/27/78 -- Telephone conference with George re Ethics Committee. Rough draft of opinion; telephone conference with Don Terry of the House Ethics Committee re disction [sic] between property settlement involving vested interest and transfers of property and re verbal agreement; consistent with Property Settlement Agreement consisting [sic] reformation of contract; telephone conference with George re above
>
> 6/30/78 -- Telephone conference with George reviewing House Ethics Committee position and conference with attorney for Committee

These entries make it clear that in the week between June 23, 1978, and June 30, 1978, Mr. Runft had telephone conferences regarding the draft which you found in the House Committee files. Following these conversations, the House Committee determined not to send the letter that it had proposed to send to Congressman Hansen.

4. If anything, this exchange demonstrates that Congressman Hansen did not simply send a letter in the hope that the letter would be filed away and forgotten and could be brought out as a self-serving defense whenever it seemed useful. The letter plainly prompted discussion within the House Committee and provoked questions to the Congressman's attorney. Those questions were answered, apparently to the satisfaction of the Committee members. To my mind, this exchange strengthens -- rather than weakens -- the Congressman's position that he received implied consent from the House Committee for his decision not to report his wife's liabilities. Indeed, requests for a copy of the Property Settlement Agreement made in later years by the staff of the Committee on Standards of Official Conduct indicated that the House Committee did not subscribe to the view expressed in the draft letter that you showed me. If the Committee had agreed with that letter, there would have been no relevance whatever to the language of the Agreement.

5. I hope it is clear to you that no portion of the Congressman's defense in this matter is intended to criticize the Committee on Ethics or the Committee on Standards of Official Conduct in any way. It is, and always has been, Congressman Hansen's view that he expressed his position to the Committee on Ethics in his correspondence in May 1978, and that the Committee did its job by reviewing that correspondence and determining not to take any action based upon it. The documents that you have now found provide further support for that proposition. The matter was amply discussed, questions were directed to Congressman Hansen's counsel, and the questions were answered. The Committee then determined not to send to the Congressman the letter which a staff member had drafted.

6. In our conversations you have used, at various times, the term "political reasons." I do not assume that the Committee's actions in either preparing the draft which you showed me this morning or in determining not to send it were based on considerations other than those appropriate to the Committee. If one were to take account of "political reasons," it is the Congressman's strong belief that there were more "political reasons" for the Committee to issue an opinion telling him his financial disclosure form was incomplete than not to do so. Indeed, the Committee had shown no hesitation to rule adversely to the Congressman in Advisory Opinion No. 11.

7. You have mentioned that the one individual with a "clear recollection" of the events in 1978 was a staff member by the name of Mr. Dye. You should know, in this regard, that I have been advised that Mr. Dye has been, for the past four years, on the staff of the Democratic Study Group, an organization which lists Congressman Hansen as one of its chief adversaries. I do not mean to impugn anything that Mr. Dye has said. But it is relevant, I believe, for anyone evaluating the facts to know whether the witness with the most "clear recollection" harbors any bias in the matter.

I will try, within the next two days, to have my office get to you any documents that are relevant to this new subject. Please feel free to contact Stephen Braga of my office if any questions do come up tomorrow or the next day.

Sincerely yours,

Nathan Lewin

NL/clb

APPENDIX I

SPOUSE AND DEPENDENT DISCLOSURE

Proponents of full spouse disclosure contend that any relationship between a husband and wife inevitably results in the co-mingling of assets and income, and that the financial interests of a spouse are generally shared by the partner. Without spouse and dependent disclosure, advocates argue, financial disclosure requirements could be easily circumvented through the transfer of assets from the reporting person to the other members of his family. Further, it is argued that even if the spouse's interests were held truly independent of the public official, there would still be a potential conflict of interest regarding the spouse's interests. Those opposed to detailed spouse and dependent disclosure essentially maintain that the interests of a spouse or dependent are separable and distinct and that mandatory disclosure is an unnecessary invasion of privacy and, possibly, unconstitutional.

House Rule XLIV, as amended on March 2, 1977, provides for the disclosure of the financial interests of the spouse if such interests are under the "constructive control" of the person reporting. The definition of the term constructive control, which has been used since 1968 when disclosure was first required by House Rules, originated with the Committee on Standards of Official Conduct:

> The financial interests of a spouse are regarded as constructively controlled by the person reporting if enhancement of those interests would substantially benefit the person reporting.

Although there may be some uncertainty as to its effect, application of this definition appears to require disclosure of the financial assets and liabilities of a spouse unless the income, gifts, and holdings of the spouse would not accrue to the benefit of the person reporting.

While the Senate Rule changes adopted on April 1 use the concept of constructive control, the Senate subsequently altered its position with the passage of S. 555, the Public Officials Integrity Act of 1977. Basically, S. 555 requires the disclosure of spouse and dependent interests unless:

(A) the reporting individual has no knowledge of the spouse or dependent interests;

(B) the reporting individual had made every reasonable effort to obtain the required information from the spouse or dependent;

(C) the reporting individual neither derives nor expects to derive, any benefit from such interests; *and,*

(D) such interests were not derived directly or indirectly from interests or income formerly owned or controlled by the reporting individual.

Thus, the Senate departed from the concept of constructive control and adopted instead a test which requires spouse and dependent disclosure under all but extremely rare circumstances.

The initial question for the committee's consideration was the constitutionality of spouse and dependent disclosure requirements. As cited previously, a number of state statutes requiring spouse disclosure have been upheld by state supreme courts, and the U.S. Supreme Court has dismissed appeals in the three instances where these decisions were appealed.

Furthermore, in a letter to the committee, the Justice Department made the following statement in regard to H.R. 7401:

> With respect to the disclosure of the interests of spouses, we agree with the State court cases that have concluded that the public interest in the integrity of Government served by public disclosure of spousal interests outweighs the privacy interests of the spouses. Absent disclosure of such interests, public officials and candidates could conceal their assets by placing title in their spouses' names. It seems evident, too, that a public official may act to enhance the financial interests of his spouse even if he exercises no control over such interests, and this action would not be deterred by public disclosure if spousal interests were excluded. For these reasons, we believe that Congress may constitutionally require the reporting of the interests of spouses in order to make the reporting system fully effective.

The committee is convinced that spouse and dependent disclosure is constitutional.

Additionally, the committee was persuaded by a number of strong policy considerations and accepted precedents that disclosure of spouse and dependent interests was necessary if the objectives of this legislation are to be fulfilled.

First, as a basic proposition, resources of a husband and wife are usually held in common, and the financial interests of a spouse are generally shared by the partner. A bookkeeping arrangement wherein one spouse holds sole title to a particular financial asset does not mean that the partner does not share an interest in the financial holding. The common and civil laws of marriage, divorce, wills and estates, alimony, and "community property" also begin with the fundamental understanding that the financial resources of husband and wife are considered one and the same. This concept was recognized in 1968 when the requirements of spouse disclosure were incorporated into House Rule XLIV, and in the recent strengthening amendments to House Rule XLIV, which continued the concept of spouse disclosure.

Second, spouse disclosure is presently required in the executive branch under certain circumstances. For example, a criminal conflict of interest statute (18 U.S.C. Sec. 208) requires a federal employee to disqualify himself from official duties concerning matters in which he, his spouse, or minor child have any financial interest.

The Administration has also required Executive appointees to disclose the financial interests of their spouse and dependents. Requirements for disclosing spouse and dependent interests are also contained in Sec. 403(a) of Executive Order 11222.

Third, spouse and dependent disclosure in the private sector has long been included in federal legislation. Section 16(a) of the Securities and Exchange Act of 1934, for example, requires that beneficial ownership of securities must be listed in registration statements, annual reports, proxy statements, and applications for registration as a broker-dealer or an investment advisor. The term "beneficial ownership" includes listing those securities owned by family members, including spouse, children and relatives who share the same home of the reporting individual (SEC Release No. 34-7793, January 19, 1966, 31 F.R. 1005, 17 CFR 241.7793). Section 17 of the Public Utility Act of 1935 contains the same requirements.

Finally, testimony before the committee confirmed the need for relevant spouse and dependent disclosure. Speaking on behalf of the Administration, Alan K. Campbell, Chairman of the U.S. Civil Service Commission, reinforced this concept by strongly supporting the disclosure of interests held by spouse and minor children:

> The basis for this reporting is that government employees may be influenced not only by their own personal, private interests, but also by those of persons so closely connected to them as spouse and minor children living in their own household.

Failure to require disclosure of the financial holdings of a spouse or dependent would render the Act meaningless. Melvin G. Copper, Executive Director of the Alabama Ethics Commission, stress this point in his testimony before the committee:

> Any member of the legislative branch who wished to evade the financial reporting requirements of the law could easily funnel money and property to his or her spouse and dependent children. Conflicts of interest would be far more difficult to pinpoint and prevent.

The committee also considered, and rejected as irrelevant, arguments that the government may have difficulty in bringing a civil or criminal action against an individual who either did not file, or filed an incomplete statement, because the spouse may have refused to provide the necessary information. This concern is more appropriately raised as a defense when the reporting person, despite a good-faith effort, is unable to comply with the reporting provisions of the law. The committee believes that such good-faith tests may be useful in reviewing specific cases of noncompliance, but that such situations should not be viewed as impediments to the passage of this bill.

The disclosure provisions of H.R. 7401 represent the committee's conviction that spouse and dependent disclosure is essential, but that the information reported should be restricted to those items which are relevant to a potential conflict of interest.

The committee believes that it has balanced competing interests of disclosure, privacy and recordkeeping by specifying the following to be reported:

(1) The source, but not the amount, of earned income in excess of $1,000 of a spouse. The committee does not believe that the objective of disclosure would be appreciably advanced if the public were to know that a spouse earned $15,000 or $50,000 from a particular source. Nor does the committee believe that it is appropriate or particularly useful to require an individual to report a dependent child's income from part-time or summer jobs.

(2) A delicate balance is also struck with regard to reporting gifts or reimbursements. If such items are received by a spouse "because of" the relationship to the reporting individual, then they should be disclosed. However, if gifts or reimbursements are received totally independent of any relationship to a Member of Congress, then they are irrelevant to the purpose of disclosure; and need not be disclosed. (See Appendix, Advisory Opinion #9.) For instance, it would be ridiculous to require disclosure of any reimbursements a spouse received while traveling on business trips or to require disclosure of an award which the spouse received for a personal achievement totally unrelated to the public official.

(3) The committee believes that in all but the most unusual of circumstances, the assets, debts and holdings of a spouse or dependent would be shared by or potentially accrue to the benefit of the reporting individual. The legislation, therefore, requires that such interests be disclosed *unless* the reporting individual certifies that the interests were obtained and are held independently of the reporting individual, and that the reporting individual neither derives nor expects to derive, any benefit from these independent interests. This benefit test should be interpreted very broadly. For example, the committee tabled an amendment which would have changed the exemption to read ". . . neither derives, nor expects to derive, *other than through inheritance*. . . . any benefit. . . ." (emphasis added). Thus, the potential receipt of benefit from interests held by a spouse or dependent should be construed quite literally. These disclosure requirements do not preclude the possibility that in a given situation, the business or family arrangment would be such that certain spouse or dependent holdings would not have to be reported. As a general principle, however, it is the intent of the bill that holdings of a spouse and dependent should be fully reported.

APPENDIX J

RULE 17. (a)(1)(A) As soon as practicable after the completion of the first phase of a disciplinary hearing respecting a Statement of Alleged Violation, the Committee shall consider each count contained in the Statement and with respect to each count as originally drawn or as amended shall vote on a motion that the count has been proved. A count shall not be proved unless at least a majority of the Committee vote for a motion that the count has been proved. A count which is not proved shall be considered as dismissed by the Committee.

(B) If the Committee votes that a count has been proved, the Committee may upon completion of the second phase of the disciplinary hearing, by a majority vote of the Committee, consider and vote on a motion that a recommendation be made to the House for appropriate action respecting the violation charged in such count.

(2) If in a vote taken under paragraph (1)(A) respecting a count a majority of the Committee does not vote that the count has been proved, a motion to reconsider that vote may only be made by a Member who voted that the count was not proved. If in a vote taken under paragraph (1)(B) to adopt a recommendation to the House respecting a violation charged in a count a majority of the Committee does not vote in favor of the recommendation, a motion to reconsider that vote may only be made by a Member who voted against the recommendation.

(b)(1) With respect to any violation with which a Member of the House was charged in a count which the Committee has voted as proved, the Committee may include in its recommendation to the House one or more of the following sanctions:

(A) Expulsion from the House.

(B) Censure.

(C) Reprimand.

(D) Fine.

(E) Denial or limitation of any right, power, privilege, or immunity of the Member if under the Constitution the House may impose such denial or limitation.

(F) Any other sanction determined by the Committee to be appropriate.

(2) With respect to any violation with which an officer or employee of the House was charged in a count which the Committee has voted as proved, the Committee may include in its recommendation to the House one or more of the following sanctions:

(A) Dismissal from employment.

(B) Fine.

(C) Any other sanction determined by the Committee to be appropriate.

(c)(1) The purpose of this clause is to inform the Members of the House of Representatives as to the general guidelines the Committee considers appropriate for determining which, if any, sanctions to recommend to the House respecting violations proved in a disciplinary hearing. This clause does not limit the authority of the Committee to make or not to make recommendations for such sanctions.

(2) For technical violations, the Committee may direct that the violation be reported to the House without a recommendation for a sanction.

(3) With respect to the sanctions which the Committee may determine to include in a recommendation to the House respecting a violation, reprimand is appropriate for serious violations, censure is appropriate for more serious violations, and expulsion of a Member or dismissal of an officer or employee is appropriate for the most serious violations. A recommendation of a fine is appropriate in a case in which it is likely that the violation was committed to secure a financial benefit; and a recommendation of a denial or limitation of a right, power, privilege, or immunity of a Member is appropriate when the violation bears upon the exercise or holding of such right, power, privilege, or immunity.

(d) The Committee report accompanying a recommendation to the House adopted by the Committee under clause (a)(1)(B) respecting a violation charged in a count shall contain a brief but complete statement of the evidence which supported the finding as to that count and a brief statement of the Committee's reasons for the recommendation.

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[Notice: In Lieu of a Star Print, Errata is Printed to Indicate Corrections to the Original Report]

ERRATA

House Report 98–1169

In the Matter of Representative Geraldine A. Ferraro

Page 11, under (3) *Holdings*, line 4, change to read as follows: Non-interest demand loan to Frajo Associates, Inc. from Representative Ferraro—$15,000–$50,000 category (this could be a loan to Frajo in 1984 for Frajo's purchase of a St. Croix Condominium).

Page 29, last line of the Report, change to read as follows: This report was approved by the Committee on Standards of Official Conduct on December 3, 1984, by a vote of 10 yeas, 2 nays.

○

H 743-3